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ABSTRACT

Four papers are featured. The first is a statistical overview and analysis of past, present and future happenings to small communities in the Region; it focuses on two indicators: (1) population growth or declining community class size and, (2) the changing distribution of commercial outlets by community class size. The other three papers report on provincial governmental policy and program intentions and actions having a bearing on the viability of small communities. "Balanced Population and Economic Growth Policy for Alberta" outlines basic foundations respecting economic policies and economic development goals. Elements of the Regional Development Program are discussed along with rural/urban development, rural development projects, regional business and industrial development, and communications strategy. The third paper summarizes public sector initiatives brought to bear upon small Saskatchewan towns; it discusses general and specific policy and program controls with specific reference to intergovernmental components. The final paper describes the agriculture/rural community situation prior to the introduction of the "Stay Option" in Manitoba, including the policy basis for the option, the program components, associated policy thrusts, and the impact upon the people and enterprises of the area. (DS)

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THE FUTURE OF SMALL- AND MEDIUM-SIZED COMMUNITIES IN THE PRAIRIE REGION

PROCEEDINGS OF A SEMINAR SPONSORED BY THE MINISTRY OF STATE FOR URBAN AFFAIRS, AND HELD DURING THE 1977 MEETING OF THE CANADIAN ASSOCIATION OF GEOGRAPHERS, UNIVERSITY OF REGINA, REGINA, SASKATCHEWAN, JUNE 7, 1977

EDITED BY
DR. BARRY S. WELLAR

MINISTRY OF STATE FOR URBAN AFFAIRS
OCTOBER, 1978
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PREFACE

This **Proceedings** is a result of a seminar, "The Future of Small- and Medium-Sized Communities in the Prairie Region". The seminar was held as part of the annual meeting of the Canadian Association of Geographers at the University of Regina in June, 1977.

The seminar was organized under the auspices of the then recently-created Non-Metropolitan Community Development Directorate, Urban Analysis Branch, Ministry of State for Urban Affairs. There were several reasons for organizing the seminar, the most important of which are briefly noted and explained.

First, seminars and the subsequent production of publications of this type assist in informing all segments of society about on-going or impending activities. In this regard, the seminar held at the University of Regina, and this **Proceedings,** constitute a means of disseminating information about policy, program and research thrusts in the non-metropolitan community domain[1]. Further, they support other Ministry initiatives which focus on the small- and medium-sized component of Canada's system of communities. A statement made by the Honourable André Ouellet, Minister of State for Urban Affairs, to the Federation of Canadian Municipalities speaks directly to this topic:

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1 Non-metropolitan urban communities are "statistically defined" as those with populations between 1,000 and 100,000. Small communities may, of course, contain fewer than 1,000 residents; centres of that size are generally perceived as being non-metropolitan rural communities.

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> "When my Ministry was first established, there was a great deal of concern that if past trends continued, Canada's population would be concentrated in Montreal, Toronto and Vancouver. It now seems, however, that this view will have to be revised. The proportion of Canada's population in Census Metropolitan Areas appears to have levelled off; growth that was to occur in these areas appears to be occurring instead in medium and smaller centres; and, the process of rural-urban migration appears to have peaked.
>
> These developments have begun to result in a shift from the sole concern with urban growth and its pattern to a recognition of, and concern with, the need to consolidate and preserve present communities and social infrastructure. This shift is perhaps most visible in the growing recognition which all governments are beginning to develop for small- and medium-sized communities. It is this recognition which, in part, prompts me to say that federal programming must be more flexible and responsive.[2]

Second, a seminar of the type held was perceived as an excellent vehicle whereby provincial government officials, and members of the university community, could provide inputs to help shape and guide directorate initiatives related to policies, programs and research investigations in the domain of non-metropolitan communities. In addition, the seminar was regarded as an opportunity for representatives of the public and university sectors to engage in dialogue about what has been happening to non-metropolitan communities, and why; to discuss the relative strengths and limitations of different approaches adopted to evaluate both processes and ends; and to present for consideration ways and means of enhancing their respective contributions to the evolution of more socially, culturally, politically, ecologically and economically-viable smaller communities.

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2 André Ouellet, "Municipal Fiscal Reform", Municipal World, (July, 1977), pp. 171, 186-187.

Third, in many regions of the country there are increasing evidences of an awakening, or re-awakening, as to the important (but often overlooked) societal consequences associated with the well-being of residents in non-metropolitan communities.[3] In brief, it has been suggested, after a decade or so of "preoccupation" with our larger centres we are beginning to recognize, and more fully appreciate, that the well-being of residents in all sizes and types of centres is closely interwoven. It follows, therefore, that it is necessary to explicitly consider the non-metropolitan element of our regional and national systems of communities if we are to effect nationally and regionally sensitive policies and programs of settlement development.[4] Officers in three provincial governments, which are actively dealing with the issue of non-metropolitan community development, agreed to make presentations, and as a result a seminar became a feasible and attractive avenue to take.

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3 A signal indication of this awakening or re-awakening was provided by a follow-up seminar entitled "Development Strategies for Small Communities in Ontario", organized by the writer as part of the 1978 meeting of the Canadian Association of Geographers. Panelists from the Government of Ontario, the Ontario Regional Office of Department of Regional Economic Expansion (DREE), the City of Stratford, and the University of Guelph clearly established the need for increased cognizance of problems and prospects facing small communities in Ontario. Members of the audience, representing governments and universities in other parts of Canada, expressed a collective view that the seminar objectives were consistent with dialogues emerging in their regions as well.

4 The papers contained in this volume, and documents such as Design for Development (Ministry of Treasury, Economics and Intergovernmental Affairs, Province of Ontario, 1976), reveal that regional (more accurately, provincial) strategies for settlement development are in place or are evolving. At the federal level, however, Canada does not as yet have announced policies which explicitly recognize development of non-metropolitan or smaller centres as part of the settlement system. In the United States, on the other hand, the National Urban Policy of the Carter administration specifically addresses small communities as an integral component of an urban policy. (For a discussion of this see HUD Challenge, Vol IX, No. 7, July, 1978.)

Fourth, examination of the extant Canadian literature and observations derived from conducting the daily affairs of the directorate suggested that this field (non-metropolitan community development) might be most aptly characterized as loose or vague. Reference in this regard pertains to dimensions of the topic, bases for and directions of actions pursued or planned, and the network of persons, agencies and associations concerned with non-metropolitan community development.[5] A seminar provided a forum for examining the appropriateness of this view, and for eliciting ways and means for achieving needed change.

The seminar was held, then, to help consolidate this area of concern or inquiry and render it more widely visible; to identify and bring together persons and agencies with a shared interest in the non-metropolitan community domain; and to provide a departure point whereby agencies and individuals concerned about the status of non-metropolitan communities could marshall ideas and energies in a productive, mutually-supportive manner.[6]

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5 This view is based on the writer's perception of the newness and tentativeness of Canadian initiatives when compared with those present in the United States at the national level. An overview of major initiatives and the state of debate in the U.S. is provided by National Community Reporter, June 1978 and Sept./Oct. 1978 (published by National Association of Towns and Townships, Washington, D.C.) and H.R. Congressional Records, Vol 123 No. 118 (July 13, 1977), Vol 124, No. 22 (Feb. 22, 1978) and Vol 124, No. 56 (April 20, 1978).

6 One measure of seminar objectives being satisfied in very short order is provided by the content and direction of a Ministry research project entitled, Management and Planning Capabilities in Small Communities. As a result of work related to planning the seminar and interactions with speakers, components of the project examining program take-up capacity of small communities were significantly sharpened. The most notable changes made in this regard were modifications to the project's terms of reference and in the approach to be taken by the consultant in conducting the tasks of the project.

In terms of the document's structure, a context for what has happened, is happening, and may happen to small communities in the Prairie Region is provided by Jack Stabler's statistical overview and analysis which is focussed on two selected indicators: 1) population growth or decline by community class size, for each province and the region; and 2) the changing distribution of commercial outlets by community class size for each province and the region. These variables are widely accepted as offering important insights into the social and economic situation of centres and their environs.

The papers by Ronald Blake (Alberta), Harold Dyck (Saskatchewan) and Helgi Austman (Manitoba) report on provincial government policy and program intentions and actions which have a bearing on the viability of small communities in the Prairie Region. Their contributions provide the reader with an opportunity to compare and contrast the activities of three provincial governments in the domain of small community evolution.

As a final note with regard to the papers, it is advisable to caution the reader against undue or unrealistic expectations. The contributors were invited to present and write up what might best be characterized as "talking pieces" or first cuts at a dialogue; they were not asked to prepare all-encompassing, analytically rigorous treatises. Further, in respect of the affiliations of the contributors, this writer refrained from attempting to susbtantively change the content of the papers or to meld them into a unified whole. Rather, the editor's task in preparation of this volume was to validate the internal consistency of all individual papers, request eleborations where deemed necessary or useful, and attempt to ensure comparability in the approaches of the authors.

It is appropriate to close the preface by acknowledging the assistance of Francine Roy and Lynne Fullerton in the preparation of this publication.

Barry S. Wellar
Senior Advisor, Policy Branch
Ministry of State for Urban Affairs

October 1978
Ottawa

REGIONAL ECONOMIC CHANGE AND REGIONAL SPATIAL STRUCTURE: THE EVOLVING FORM OF THE URBAN HIERARCHY IN THE PRAIRIE REGION

Jack C. Stabler, Professor,
Department of Economics,
The University of Saskatchewan,
Saskatoon, Saskatchewan

ABSTRACT

Two indicators of community and regional change (i.e. population decline or growth, and distribution of commercial outlets) are used to describe and analyze the small community situation in the Prairie Region. Two periods, 1961-1971 and 1971-1976 comprise the temporal dimension of the paper.

As demonstrated, the de-population trend which prevailed from the 1940s to the early 1970s has been modified considerably in recent years in the region, although there are sub-regional exceptions. Further, the nature of cause-effect relations, while apparent in some cases, is difficult to discern and interpret in others. This suggests that additional indicators and data, and particularly those reflecting provincial policy and program initiatives, may have to be brought to bear if the evolving form of the urban hierarchy is to be fully understood and anticipated.

I INTRODUCTION

The secular trend toward economic growth and population concentration in the largest cities in the Prairie Region, accompanied by the decline of rural areas and smaller communities, continued during the 1960s as it had during previous decades. The shift to urban centres was set against a background of farm consolidation, release of labour from the agricultural sector, and an absolute decline in the region's rural population. The dimensions of this change can be indicated with just a few comparisons. Between 1941 and 1971, for example, the average size of a Prairie farm increased from 400 to 750 acres,

the agricultural labour force shrank from 462,000 to 226,000 workers, and the region's rural population by more than 300,000 persons. At the same time, the proportion of Prairie residents living in communities of more than 1,000 population increased from approximately one-third to more than two-thirds.

This pattern, which persisted for so long that it nearly came to be regarded as "natural", has altered during the 1970s. The greatest absolute gains have still been concentrated in the region's major urban centres. However, employment in the agricultural sector appears to have stabilized or increased slightly between 1971 and 1976, while the number of people living in centres of less than 1,000 population increased during this period, reversing a trend that goes back many years.

The causes underlying these new trends are not yet clear, as it is not known whether they represent a reversal of the experience of the past several decades, or only a temporary deviation from a pattern that will be resumed. Further, the experience is not uniform across the region. Rural growth has been strong in Alberta while, at the other extreme, the pattern in Saskatchewan remains more like that of the 1960s. Manitoba falls somewhere in between. With the benefit of hindsight, however, it is possible to interpret some of the changes which began in the 1960s as harbingers of events now occurring. Accordingly, the experience of the 1960s is reviewed as a base against which to compare post-1970 changes.

II THE CHANGING FORM OF THE URBAN HIERARCHY

Trends Between 1961 and 1971

Between 1961 and 1971, 36 of the region's 53 census divisions experienced absolute population losses. Seven of the 17 census divisions which gained population contained or were adjacent to one of the region's five major cities; four others housed urban places of intermediate size; six were in the northern areas. Only eight census divisions experienced relative gains. These were the five in which the major centres are located, plus three in the north.

The 1960s also saw the continuation of a trend in which the number of centres at both the lower and upper extremes in the hierarchy increased relative to the number of centres in the middle range. This was due to the middle being pushed toward both ends; that is, the majority of communities in the two bottom categories used in this study declined in population while most of those above this level increased in size. Thus both ends of the hierarchy grew at the relative expense of the middle.

In the four tables which follow, changes in population distribution and the distribution of business outlets between communities grouped according to various size categories are shown.[1]

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1 While admittedly arbitrary, the size categories used here were selected bearing in mind the functional grouping developed by Gerald Hodge, "The Prediction of Trade Center Viability in the Great Plains", Papers of the Regional Science Association, Vol. XV, (1965), pp. 87-115 and Jack Stabler and Peter Williams, "The Dynamics of a System of Central Places", Geographical Papers, 22 (Reading, England: Department of Geography, University of Reading, 1973).

In Table 1, a comparison of the population changes in centres of different sizes is made by holding each centre in the same category that it occupied in 1961. Only those centres that were individually incorporated in both 1961 and 1971 were used in this comparison.[2]

For the region, only the smallest category registered an absolute loss of population. However, in Manitoba and Saskatchewan an absolute population decline between 1961 and 1971 was the common experience for centres which, in 1961, occupied the two smallest categories. The third category from the bottom, population class 500-999, gained slightly in Saskatchewan but realized a small loss in Manitoba. In Alberta, the bottom class was relatively stable, while the second and third categories realized small gains. Above the third category, population growth was the common experience in all provinces.

A further comparison of population changes is provided in Table 2 where the relative gain or loss of communities in each category is identified. The comparison in these tables is again of communities that were individually incorporated in both 1961 and 1971.

---

[2]In all of the tables presented in this paper, the population and business outlets of Bowness, Forest Lawn and Montgomery are included with those of Calgary, and those of Beverly and Jasper Place with Edmonton. Brookland, St. Boniface, St. James, Transcona, Tuxedo, East Kildonan and West Kildonan are included with Winnipeg.

TABLE 1

POPULATION DISTRIBUTION, PRAIRIE CENTRES,[1] GROUPED BY 1961 SIZE CLASSIFICATION

1961 and 1971[2]

Population Class		No. of Centres	Average Population 1961	Average Population 1971	Population Distribution 1961 Total	1961 %	1961 Cum.	Population Distribution 1971 Total	1971 %	1971 Cum.
	200	215	120	101	25,888	1.3	1.3	21,618	0.9	0.9
200	499	291	331	334	96,401	4.9	6.2	97,294	4.0	4.9
500	999	145	694	754	100,631	5.1	11.3	109,358	4.5	9.4
1,000	2,499	91	1,569	1,892	142,789	7.2	18.5	172,149	7.1	16.5
2,500	4,999	35	3,189	4,145	111,600	5.7	24.2	145,086	6.0	22.5
5,000	14,999	13	8,839	10,227	114,906	5.8	30.0	132,947	5.5	28.0
15,000	49,999	6	27,515	31,146	165,090	8.4	38.4	186,877	7.7	35.7
50,000		5	241,812	310,328	1,217,062	61.6	100.0	1,551,639	64.2	99.9
Totals:					1,974,367	100.0		2,416,968	99.9	

[1]Centres incorporated in both 1961 and 1971 for which data were available for both dates.

[2]Final 1971 figures as reported in the 1976 census.

Source: Census of Canada.

EDITOR'S NOTE: There are minor differences among tables where Dun and Bradstreet data do not conform to census boundaries for municipalities, or where census data are organized according to 1971 or 1976 boundaries.

TABLE 2

POPULATION SHIFTS BETWEEN CLASSES OF INCORPORATED CENTRES,[1] PRAIRIE REGION

1961-1971[2]

Population Class		Population 1961	Population 1971	Change Absolute	Change %	Shift Expected[3]	Shift Up	Shift Down	Percent Total Shift +	Percent Total Shift -
TOTAL		1,974,367	2,416,968	442,601	22.4174					
	200	25,888	21,618	-4,270		5,803		-10,073		14.35
200	499	96,401	97,294	893		21,611		-20,718		29.51
500	999	100,631	109,358	8,727		22,559		-13,832		19.70
1,000	2,499	142,789	172,149	29,360		32,010		-2,650		3.77
2,500	4,999	111,600	145,086	33,486		25,018	8,468		12.06	
5,000	14,999	114,906	132,947	18,041		25,759		-7,718		10.99
15,000	49,999	165,090	186,877	21,787		37,009		-15,222		21.68
50,000		1,217,062	1,551,639	334,577		272,834	61,744		87.94	
Totals:							70,212	-70,213	100.00	100.00

[1]This table includes centres incorporated in both 1961 and 1971 for which data were available for both dates.

[2]Final 1971 figures as reported in the 1976 census.

[3]Expected change is computed by multiplying population per class in 1961 by the percentage change in the region over the 10-year period, that is, 1961 population X 22.4174.

Source: Census of Canada, 1961, 1971.

For the region as a whole (and for each province), there was a shift of population to the larger centres. The relative decline was concentrated in the three smallest categories, while the region's five largest centres accounted for the majority of the upward shifts.

A further indication of change is provided by examining communities in the various size categories in terms of average number of commercial outlets present in 1961 and 1971. This is illustrated in Table 3. For the region, a substantial decline in the number of business outlets was experienced by communities in the two smallest categories. Even the third smallest category, population size 500-999, realized a small absolute decline. Above this level, relative stability or a very modest growth in the number of business outlets was the tendency in communities up to those in the 50,000+ category, which experienced very substantial gains.

Relative changes in the number of business outlets are provided in Table 4. The concentration of the downward shift in the smaller three categories is again emphasized, as is the concentration of the upward shift in the 50,000+ category. The change in the total number of business outlets, shown in the first row of this table, adds another dimension to the discussion. In total, those centres making up the lowest three categories in the trade centre network lost 1,905 business outlets between 1961 and 1971. For the region as a whole, this represented a 41 percent loss for the smallest category of centres, and losses of 27 and 6 percent for the second and third smallest categories respectively.

TABLE 3

DISTRIBUTION OF BUSINESS OUTLETS,[1] PRAIRIE CENTRES,[2] GROUPED BY 1961 SIZE CLASSIFICATION

1961 and 1972

Population Class		No. of Centres	Average No. Business Outlets 1961	1972	Distribution of Business Outlets 1961 Total	1961 %	1961 Cum.	1972 Total	1972 %	1972 Cum.
	200	215	6	3	1,229	3.0	3.0	726	1.6	1.6
200	499	291	15	11	4,340	10.5	13.5	3,156	7.1	8.7
500	999	144	27	26	3,948	9.5	23.0	3,730	8.4	17.1
1,000	2,499	91	51	53	4,627	11.1	34.1	4,862	11.0	28.1
2,500	4,999	34	94	110	3,206	7.7	41.8	3,731	8.4	36.5
5,000	14,999	13	195	211	2,535	6.1	47.9	2,745	6.2	42.7
15,000	49,999	6	490	518	2,938	7.1	55.0	3,105	7.0	49.7
50,000		5	3,741	4,440	18,705	45.0	100.0	22,201	50.2	99.9
Totals:					41,528	100.0		44,256	99.9	

[1] "Business outlets" as used here refers primarily to commercial outlets. Thus public and quasi-public organizations are excluded.

[2] Centres incorporated in both 1961 and 1971 for which data were available for both dates are included.

Source: Dun and Bradstreet, Reference Book, March, 1961 and March, 1972.

EDITOR'S NOTE: There are minor differences among tables where Dun and Bradstreet data do not conform to census boundaries for municipalities, or where census data are organized according to 1971 or 1976 boundaries.

TABLE 4

SHIFT IN BUSINESS OUTLETS[1] BETWEEN CLASSES OF INCORPORATED CENTRES, PRAIRIE REGION

1961-1972

Population Class		Outlets 1961	Outlets 1972	Change Absolute	Change %	Shift Expected	Shift Up	Shift Down	Percent Total Shift +	Percent Total Shift -
TOTAL		41,528	44,256	2,728	6.5691					
	200	1,229	726	-503		81		-584		22.25
200	499	4,340	3,156	-1,184		285		-1,469		55.96
500	999	3,948	3,730	-218		259		-477		18.17
1,000	2,499	4,627	4,862	235		304		-69		2.63
2,500	4,999	3,206	3,731	525		211	314		11.97	
5,000	14,999	2,535	2,745	210		167	43		1.64	
15,000	49,999	2,938	3,105	167		193		-26		0.99
50,000		18,705	22,201	3,496		1,229	2,267		86.39	

[1]Does not include public and quasi-public organizations.

Source: Dun and Bradstreet, Reference Book, March 1961 and March 1972.

It is noteworthy that the loss experienced by centres with a population of less than 1,000 was nearly double the gain realized by those with a population of more than 1,000 but less than 50,000. It was only the gains by the five major cities, population class 50,000+, that led to the 6.5 percent increase in business outlets realized by the Prairie Region in total.

This experience, while generally similar for each province, differed in detail. One notable exception of the general pattern was experienced by Saskatchewan where the loss of business outlets in small communities was great enough to produce an absolute decline in the number of business establishments in operation in the province between 1961 and 1971. Further, at the regional level, the small relative gain in population and business outlets of communities in the 2,500-4,999 category reflects their growing importance as regional shopping centres.

In summary, both the population and business outlet data reflect a serious decline in the status of communities in the two smallest categories during the 1960s. For the third category, size 500-999, population data indicate greater stability than do business data. Business data are probably the better indicator in this case for several reasons. The population increase, in most cases, reflected only a small net movement into these centres by people who already lived within the immediate area. In fact, as indicated above, there has generally been a net decline in the rural population served by most communities. The loss of business outlets reflects both

the effect of the population loss from the market area and the effect of consumers' bypassing smaller communities in travelling to regional shopping centres. Not all communities within each category are identical, of course, and the experience of many individual centres differed from that described in the preceding aggregate comparisons.

For all classes of smaller centres, the changes for stability or growth were enhanced by certain combinations of economic and spatial characteristics. Spatially, a location close enough to a major city to serve as a dormitory for the larger community contributed to the prospect of stability or growth. At the other extreme, an isolated location outside the market area of a larger community enhanced the prospect of viability. Economically, greater diversification contributed to stability. For example, communities which housed manufacturing firms, and therefore contained a greater than average complement of public facilities (particularly high schools, hospitals, and retirement homes), or served as dormitories, were more stable than communities whose sole or primary function was that of an agricultural service centre. Narrow specialization, particularly as an agricultural service centre, or a location within the market area of a larger community, but too far away to serve as a dormitory, were associated with a greater than average rate of decline.

Referring back to the tables, communities with a population between 2,500 and 50,000 generally demonstrated greater stability than other communities, although some individual centres experienced

serious losses (e.g. Moose Jaw) and others experienced important gains (e.g. Lethbridge). The largest cities (e.g. Edmonton, Calgary), and/or their metropolitan areas, experienced impressive gains between 1961 and 1971.

Interpretation of the 1961-1971 Trends

An important characteristic of all advanced industrial economies is the rapid adoption of labour-saving production processes. Through the 1960s such improvements were more important in goods-producing industries, where standard products were produced through continuous, routine operations, than in service industries, where the product was more often tailored to individual tastes and its delivery was less subject to continuous or repetitive procedures. At the same time the effective demand for many goods, especially agricultural products, did not keep pace with the growth in the demand for services. The changes in the structure of the Prairie economy between 1941 and 1961 were, therefore, part of a national process in which labour shifted away from industries which were experiencing rapid gains in productivity but only modest growth in demand, towards those in which the growth of productivity was low but the growth in demand more rapid.

In the public sector, a process of consolidation was , in effect, also in response to forces similar to those which led to a reorganization of consumer-oriented commercial activities. In the interest of improvement in quality and, usually, reduction in cost (at least

in relative terms), most of the high schools in smaller communities were replaced by consolidated schools in larger, centrally located communities. The conversion to a dial telephone system eliminated the need for local switchboards and operators. Hospitals, highway maintenance facilities, liquor outlets, RCMP detachments and post offices were all consolidated to some extent in fewer, larger places.

In the transportation sector, the conversion from steam to diesel locomotives also led to a reduction in employment which fell more heavily on small communities. Whereas steam locomotives were usually run from one division point to the next, perhaps a distance of 60 miles, diesels are run much greater distances, for example from Winnipeg to Edmonton. Therefore, engines are no longer serviced or turned around at division points. Section crews at numerous small centres have also been replaced by "floating" gangs that work out of larger centres and cover a much greater area. Even the discontinuance of rail passenger service contributed to this trend through the closing of rail stations in small communities.

It is evident that changes such as those just described would lead to a reduced market potential in areas served by small places and, at the same time, an increase in market potential in areas served by larger places.

Another factor influencing the viability of commercial outlets has been the substantial improvement in the personal mobility of rural dwellers, occasioned by the upgrading of the intercity road network, the increase in automobile ownership and improvement of the automobile itself. During the past 25 years, the number of miles of paved roads in the region increased by a factor of ten. Gravel roads were increased by almost as much. Over one-half of the existing hard-surfaced intercity mileage and approximately one-third of the high quality grid roads were raised to their present standard during the 1960s. All-weather roads now reach into every corner of the region. At the same time, the number of persons per motor vehicle registration declined from approximately seven in 1941 to about two in 1971 for the three provinces combined.

These improvements greatly increased the options available to rural dwellers as consumers and substantially altered their traditional shopping patterns. The classic trade centre system, in which consumers shopped for the desired item in the closest centre where it was available, altered substantially. In the emerging pattern, rural consumers still purchase convenience goods at the closest available point, but, when forced to go beyond the immediate centre for goods which are not available there, they tend to drive to the nearest place where a complete range of consumer goods is available. Intermediate sized communities which provide some of the items actually purchased in the larger, more distant centre are often bypassed along the way. These changes have enhanced the viability of regional shopping centres which are large and favourably situated, but have been generally detrimental to smaller centres.

Trends Between 1971 and 1976

The pattern of change since 1971 has differed from that which prevailed for many years prior to that time. The pronounced loss of rural population and decline of communities at the bottom end of the hierarchy has moderated between 1971 and 1976. Part of the stability of the statistically "rural" population can of course be attributed to urban sprawl extending its net. For example, the population living in unincorporated areas in those census divisions containing or adjacent to Calgary, Edmonton and Winnipeg all increased substantially. In addition, however, for the region as a whole, the population of incorporated places of less than 1,000 population increased at nearly three times the rate that had prevailed during the 1960s and the absolute loss in number of business outlets experienced during the 1960s has turned into a gain since 1971.

The four following tables carry forward to 1976 the comparisons presented in Tables 1 through 4. In order to maintain a consistent comparison, the same centres are used, grouped in the same manner as in Tables 1 through 4; that is, in the 1971-76 comparisons, each centre is held in the same class that it occupied in 1961 even though a classification based on 1971 statistics would put some of them in different categories. What Tables 1 through 8 show then is the experience of a constant group of communities over a 15-year period grouped according to the size class they occupied in 1961.

Table 5 shows average and total population changes for each group between 1971 and 1976. For the region, all groups registered an increase except the smallest which remained virtually constant, but between provinces the experience varied considerably more than it did during the 1960s. In Alberta, centres of all sizes recorded large gains with the two smallest categories actually growing faster than all urban places combined. In Manitoba, the two smallest groups increased slightly while the third declined slightly. For Saskatchewan, the earlier trend continued with the two smallest categories again recording large losses.

Relative population change is shown in Table 6. Relative decline at the lower end of the hierarchy and relative gain at the lower-intermediate level (population class 1000-2499, and 2500-4999) is, in general terms, consistent with the experience of the 1960s. In contrast with the earlier period, however, the five largest centres did not gain population as rapidly as the remainder of the incorporated places and thus recorded a relative decline.

By this comparison, the provincial experience was again varied. In Alberta, all groups except the third smallest gained at the expense of Calgary and Edmonton. For Manitoba, the pattern of relative change was similar to that of the 1960s with decline at the lower end of the hierarchy, gains at the lower intermediate level, and gains at the top. However, while Winnipeg accounted for one-half of the relative gain during the 1960s, it has accounted for less

TABLE 5

POPULATION DISTRIBUTION, PRAIRIE CENTRES,[1] GROUPED BY 1961 SIZE CLASSIFICATION

1971[2] and 1976

Population Class		No. of Centres	Average Population 1971	Average Population 1976	Population Distribution 1971 Total	1971 %	1971 Cum.	Population Distribution 1976 Total	1976 %	1976 Cum.
	200	215	100	100	21,604	0.9	0.9	21,593	0.8	0.8
200	499	291	335	350	97,481	3.9	4.8	101,818	3.8	4.6
500	999	145	759	787	109,985	4.4	9.2	114,155	4.2	8.8
1,000	2,499	91	1,897	2,149	172,603	6.9	16.1	195,532	7.3	16.1
2,500	4,999	35	4,166	4,895	145,817	5.8	21.9	171,328	6.4	22.5
5,000	14,999	13	10,233	10,602	133,025	5.3	27.2	137,822	5.1	27.6
15,000	49,999	6	31,408	34,107	188,450	7.5	34.7	204,639	7.6	35.2
50,000		5	328,611	348,578	1,643,054	65.4	100.1	1,742,891	64.8	100.0
Totals:					2,512,019	100.1		2,689,778	100.0	

[1]Centres incorporated in both 1961 and 1971.

[2]Final 1971 figures as reported in the 1976 census.

Source: Census of Canada.

EDITOR'S NOTE: There are minor differences among tables where Dun and Bradstreet data do not conform to census boundaries for municipalities, or where census data are organized according to 1971 or 1976 boundaries.

TABLE 6

POPULATION SHIFTS BETWEEN CLASSES OF INCORPORATED CENTRES,[1] PRAIRIE REGION 1971[2]-1976

Population Class		Population 1971	Population 1976	Change Absolute	Change %	Shift Expected	Shift Up	Shift Down	Percent Total Shift +	Percent Total Shift -
TOTAL		2,512,019	2,689,778	177,759	7.0763					
	200	21,604	21,593	-11		1,529		-1,540		5.35
200	499	97,481	101,818	4,337		6,898		-2,561		8.90
500	999	109,985	114,155	4,170		7,783		-3,613		12.56
1,000	2,499	172,603	195,532	22,929		12,214	10,715		37.26	
2,500	4,999	145,817	171,328	25,511		10,318	15,192		52.82	
5,000	14,999	133,025	137,822	4,797		9,413		-4,616		16.05
15,000	49,999	188,450	204,639	16,189		13,335	2,854		9.92	
50,000		1,643,054	1,742,891	99,837		116,267		-16,431		57.13
Totals:							28,761	-28,761	100.00	99.99

[1]Centres incorporated in both 1961 and 1971.

[2]Final 1971 figures as reported in the 1976 census.

Source: Census of Canada, 1971, 1976.

EDITOR'S NOTE: There are minor differences among tables where Dun and Bradstreet data do not conform to census boundaries for municipalities, or where census data are organized according to 1971 or 1976 boundaries.

than one-quarter since 1971. In Saskatchewan, Saskatoon and Regina continued to gain at the expense of virtually all other places as they did during the 1960s.

The number of business outlets in the region increased by 35 percent between 1971 and 1976 compared with only 6.5 between 1961 and 1971, with all classes of centres sharing in this gain as shown in Table 7. In this respect, all provinces shared a common experience.

In terms of relative change shown in Table 8, the pattern for the region was similar to that of the 1960s with the smallest three categories declining, the lower-intermediate level experiencing modest gains, and the largest centres as a category accounting for the major share of the relative gain. However, while the largest cities captured 86 percent of the relative gain in the 1960s, they have accounted for only 64 percent since 1971. Provincial patterns once again differed. The experience of Alberta and Saskatchewan was much like that of the 1960s while in Manitoba, Winnipeg realized a relative decline.

In summary, at the regional level the absolute decline of centres at the lower end of the hierarchy appears to have been arrested, at least temporarily, while the growth of the largest cities has slowed. Growth of both population and business outlets in small centres in Alberta, stability in Manitoba, and a mixed pattern of

TABLE 7

DISTRIBUTION OF BUSINESS OUTLETS,[1] PRAIRIE CENTRES,[2] GROUPED BY 1961 SIZE CLASSIFICATION

1972 and 1976

Population Class		No. of Centres	Average Number Business Outlets 1972	Average Number Business Outlets 1976	Distribution of Business Outlets 1972 Total	1972 %	1972 Cum.	Distribution of Business Outlets 1976 Total	1976 %	1976 Cum.
	200	215	3	4	726	1.6	1.6	831	1.4	1.4
200	499	291	11	14	3,156	7.1	8.7	3,988	6.7	8.1
500	999	144	26	33	3,730	8.4	17.1	4,726	7.9	16.0
1,000	2,499	91	53	74	4,862	11.0	28.1	6,694	11.2	27.2
2,500	4,999	34	110	151	3,731	8.4	36.5	5,122	8.5	35.7
5,000	14,999	13	211	265	2,745	6.2	42.7	3,448	5.8	41.5
15,000	49,999	6	518	735	3,105	7.0	49.7	4,407	7.4	48.9
50,000		5	4,440	6,147	22,201	50.2	99.9	30,773	51.3	100.2
	Totals:				44,256	99.9		59,949	100.2	

[1] "Business outlets" as used here refers primarily to commercial outlets. Thus public and quasi-public organizations are excluded.

[2] Centres incorporated in both 1961 and 1971 for which data were available for both dates.

Source: Dun and Bradstreet, Reference Book, March, 1972 and March, 1976.

EDITOR'S NOTE: There are minor differences among tables where Dun and Bradstreet data do not conform to census boundaries for municipalities, or where census data are organized according to 1971 or 1976 boundaries.

TABLE 8

SHIFT IN BUSINESS OUTLETS[1] BETWEEN CLASSES OF INCORPORATED CENTRES, PRAIRIE REGION

1972-1976

Population Class		Outlets 1972	Outlets 1976	Change Absolute	Change %	Shift Expected	Shift Up	Shift Down	Percent Total Shift +	Percent Total Shift -
TOTAL		44,256	59,949	15,693	35.4596					
	200	726	831	105		257		-152		14.67
200	499	3,156	3,988	832		1,119		-287		27.70
500	999	3,730	4,726	996		1,323		-327		31.56
1,000	2,499	4,862	6,694	1,832		1,724	108		10.41	
2,500	4,999	3,731	5,122	1,391		1,323	68		6.56	
5,000	14,999	2,745	3,448	703		973		-270		26.06
15,000	49,999	3,105	4,407	1,302		1,101	201		19.38	
50,000		22,201	30,733	8,532		7,872	660		63.65	
Totals:							1,037	-1,036	100.00	99.99

[1]Does not include public and quasi-public organizations.

Source: Dun and Bradstreet, Reference Book, March 1972 and March 1976

continued population decline but stability or growth in the number of business outlets in Saskatchewan distinguishes the 1970s from the 1960s.

Interpretation of the 1971-1976 Trends

Data required to interpret and explain the pattern of change during the 1970s are not readily available and considerable effort will be required to collect and assemble them. Consequently, I can offer only some possible explanations for the observations presented earlier. These posits may be regarded as testable and, to some extent, competing hypotheses which may be formally considered for acceptance or rejection when the data necessary for analysis become available.

One possibility is that the favourable market for small grains and oil seeds during the 1970s has bolstered agricultural incomes to the point that not only has the release of labour from agriculture been halted, but also the expenditure of this income has retained and even attracted non-farm activities to the rural areas. While at first blush this has a plausible ring, it seems less likely the more it is considered. Saskatchewan has a greater concentration in small grains and oil seeds production than either Manitoba or Alberta. Saskatchewan's small communities have experienced neither the growth which has been characteristic of Alberta communities nor the greater stability that has characterized those in Manitoba during the 1970s.

An alternative suggestion derives from migration theory. Generally, higher migration rates are observed during periods when the national economy performs near capacity than during times when it is slack. High rates of unemployment have characterized the national economy during much of the 1970s. Thus, according to this possible interpretation, migration from the Prairies to Ontario and British Columbia may have slowed and former Prairie residents who have lost or have been unable to obtain employment may have returned to wait out the recessionary period. One quickly becomes uneasy about this interpretation as well since it is first Saskatchewan and then Manitoba that statistically provide the bulk of off-Prairie migration. Therefore, Saskatchewan and Manitoba should have retained or gained if this interpretation was correct. As a variation on this theme, it might be argued that workers have been attracted from elsewhere in Canada to Alberta where the economic climate has been more favourable. However, it is difficult to imagine such prospective job seekers locating in small, rural communities.

Sometimes it is useful to compare and contrast Canadian experience with that of the United States. On the surface, the tendency toward greater stability or growth of small communities in the Prairies has its counterpart in a similar revival in the majority of non-metropolitan counties in the United States since 1970.

In a recent paper by Peter Morrison and Kevin McCarthy of the Rand Corporation, changes in the distribution of population and economic activity in the United States since 1970 are described

and some reasons for the observed growth of non-metropolitan areas are given.[3] Their findings indicate that the growth of non-metropolitan counties has been associated, in order of importance, with an increase in employment in mining activities, recreation activities and manufacturing. Canadian employment or labour force data are not available in a form which would allow us to determine whether the employment factor is also responsible for the tendency toward stability or growth of small communities recently observed in the Prairies. Some localities in the region are undoubtedly responding to a stimulus of this variety, but precisely how important it is could only be determined by obtaining relevant, detailed information on geographic distribution of employment.

A final possible interpretation might go something like the following. Changes in the hierarchy during the 1960s were associated with consolidation in agriculture, consolidation of a number of commercial and government services, and with a substantial improvement in the region's highway network. Except for consolidation in agriculture these changes are near completion throughout the region and their influence in altering the structure of the hierarchy must be nearly exhausted as well.

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[3] Peter Morrison and Kevin McCarthy, "Demographic Structure and Implications of Non-Metropolitan Growth Since 1970". Presented at the 1977 Western Regional Science Association Meeting, Tucson, Arizona. (Santa Monica, California: The Rand Corporation)

On the other hand, consolidation within the agricultural economy has been more pronounced in the grains-producing areas than in localities where mixed farming or irrigated agriculture is practised. Since agriculture in both Alberta and Manitoba is less concentrated in grains production than is the case in Saskatchewan, it is possible that the impact of agricultural reorganization has been nearly exhausted in these two provinces, leading to stability or, when agricultural incomes are high, growth. In Saskatchewan, where grains production is much more important, perhaps the full impact of reorganization has not yet been realized.

It is possible, of course, that the explanation of the experience of the 1970s is due in some measure to all of the possible influences mentioned, or to some as yet unidentified cause. The research required to determine this is yet to be performed. Until this is done, the relevant policy formulation will of necessity be conducted in an atmosphere of greater uncertainty than has prevailed for several decades.

III CONCLUSION

The selected indicators of population growth or decline, and distribution of commercial outlets, were used in an attempt to account for changes in the economic and spatial structure situation of communities and categories of communities in the Prairie Region. Those indicators, when combined with changes to the highway network and railroad

configuration, agriculture industry, and other observables, provide a number of insights as to what has happened and why, and what may happen in the future with respect to small communities in the region.

As the paper demonstrates, however, it is most difficult to rigorously establish and evaluate the importance of the various factors which enter into a cause-effect equation. For that reason, the reader is urged to relate the contents of this paper to the remaining papers which report on government policies and programs designed to modify the economic, demographic, and social situation in the provincial and regional systems of communities in the Prairies.

BALANCED POPULATION AND ECONOMIC GROWTH POLICY FOR ALBERTA

Ronald H. Blake, Executive Director,
Regional Development Branch,
Alberta Business Development and Tourism,
Edmonton, Alberta

Abstract

The paper outlines Alberta's three basic foundations respecting economic policies and the economic development goals derived therefrom. The key goal relative to small- and medium-sized towns is "to spread growth on a balanced basis across the province, and capitalize upon the potential of the smaller centres". Three elements of the Regional Development Program are discussed, and then attention is focussed on four regional development strategies: rural/urban development; rural development projects; regional business and industrial development; and communications strategy. The paper closes with brief comments on population stabilization and turnaround in some communities.

I INTRODUCTION

I welcome the opportunity to participate with you in this seminar on the future of small- and medium-sized communities in the Prairie Region. Dr. Wellar asked that I comment on balanced population and economic growth policy for Alberta. I would like to address the subject of economic growth policy first, as the government's position on this, relative to rural Alberta, is of major importance in terms of the changes being pursued.

II ECONOMIC POLICIES

When Premier Lougheed and his government entered office in 1971, the premier outlined three basic foundations with respect to economic policies:

- strengthen control by Albertans over our own future and reduce dependency for our continued quality of life upon governments, institutions or corporations directed from outside the province;
- rely as much as possible upon the private sector for initiatives and move through the public sector only if the private sector is either not in a position or not prepared to move in essential new directions, and then only in exceptional and very specific circumstances;
- strengthen competitive free enterprise by Albertans, which to us means giving priority to locally-owned businesses.

These policies were translated into a number of basic goals that identified Alberta as a province in transition, seeking to diversify and to become less dependent upon the sale of unprocessed resources, particularly non-renewable resources, an objective also sought by the other western provinces.

III ECONOMIC DEVELOPMENT GOALS

The first of these goals is to spread growth on a balanced basis across the province and capitalize upon the potential of the smaller centres, thereby assuring a better quality of life for citizens living

within the metropolitan areas and in the smaller centres as a combined result. Additional and associated goals include the following:

- strengthen free enterprise in Alberta by strengthening small and locally-controlled businesses in the province;
- upgrade the skills of our citizens to create higher productivity, greater income, and more job satisfaction;
- capitalize upon our natural advantages such as the gateway to northern development, the recreation potential of the eastern slopes, the untapped food growing potential of the province, and the assured source of supply for petrochemical feedstock.

The above policies and goals represent the first of three elements in establishing a meaningful Regional Development Program. The second element, that of implementing programs to achieve these goals, was assigned to the Regional Development Branch of the Department of Business Development and Tourism. The branch is headed by an executive director supported by four directors. Two directors are responsible for implementation of the program, one for the northern half of the province and one for the southern half. Each has five regions staffed by an economic development representative and a secretary.

In addition to the ten regions, four rural[1] development project areas have been organized and two more are planned. Responsibility for these projects and other "special areas" falls to a director of projects. Finally, we have a Small Business Development Program, which is an integral part of total regional development with a director in charge of developing an effective program. In all, we have a staff of 31 people.

The third element focusses on local community willingness and commitment to improve the economy of the towns and smaller cities in rural Alberta.

The Regional Development Program has been functional in Alberta for approximately four years. During this period we have learned a great deal about the manner in which cities, towns, and villages grow; about the extraordinary and selfless efforts of community residents without which little effective growth could occur; and about individual Alberta entrepreneurs and business people, in terms of their attitudes, their ideas, and their willingness to take necessary risks.

There have been positive results achieved in almost all of the communities in which our representatives have established economic development committees, developed action plans, and worked with individual

[1] EDITOR'S NOTE: the term "rural" as used in the paper generally refers to all communities, settlements etc. in Alberta excepting Calgary and Edmonton. Exceptions to this general rule are noted, e.g. as shown in Table 2.

business firms. The changes in some of these communities have been rapid and almost natural in occurrence. In others, new developments and infrastructure improvements have been painfully slow and results have only been achieved through the direct and concerted efforts of volunteers willing to make the necessary investment of time in attempts to ensure that their communities will become better places in which to live.

IV REGIONAL DEVELOPMENT OBJECTIVES

I would like to summarize the Regional Development Program to indicate the approach used. At the outset of the program we set the following objectives:

- provide opportunities and incentives to Albertans to participate in the economic development of the province;
- contribute to creating more and better jobs, and in so doing give Albertans a broader opportunity to improve both incomes and living conditions in rural communities;
- eliminate population and economic erosion in rural areas;
- help communities to help themselves in providing an improved socio-economic life quality;
- work toward balanced economic growth compatible with the resource potential within each community and its surrounding area.

By addressing the question of local community needs on a town-by-town basis, a number of regional development strategies were employed.

Rural/Urban Development

The strategy first dealt with local activity or rural/urban development. Our purpose was to activate communities in self-help programs directed toward attracting new business and industry, and the expansion of existing business and industry.

Our tactics required working with and assisting interested communities to:

- establish their development goals;
- complete an economic base study of the town and area;
- prepare a ranked inventory of opportunities on which to take action;
- identify infrastructure needs requiring improvement;
- form an economic development committee reporting to the town council;
- prepare an economic development plan as a cooperative effort between the community, the appropriate planning agency, and our regional staff, and have it adopted by town or city council.

Historically, on start-up 42 communities actively participated in the program and by 1975 this number increased to 83. Today of the 96 communities of 1,000 or more population, we find we are working with 50-60 towns.

Fifty-six economic development committees were supported in compiling economic base data with which to study the current position and the future potential for the respective communities. We have completed 91 community surveys which are available for distribution. Fifty-three economic development plans have been prepared and approved by the community councils.

The economic development representatives assist the economic development committees in the communities to implement their plans. This implementation process has focussed heavily on two areas, infrastructure assistance and business development.

Infrastructure Assistance

In attempting to improve the economic base of rural communities, the committees have found that they must first improve the attractiveness/assets of their community. As a result, actions have been initiated to improve infrastructure components such as water, sewer, housing, industrial land, recreation facilities and roads. Our representatives act as coordinators, counsellors, and motivators, and assist through the provision of advice and identification of contacts in the government system and the private sector.

Downtown Revitalization

A study project was undertaken in Lacombe to examine the feasibility of downtown renewal in rural Alberta. It addressed the need for government offices, retail shopping, a town square and parking.

We are presently studying Ontario's program in this regard to determine the usefulness of adopting components of that province's approach to the needs of Alberta communities.

Government Decentralization

The Alberta government has contributed to rural community development in two key ways: first, by decentralization of departments and crown agencies that can function away from Edmonton; and second, with the construction in rural areas of new provincial buildings, liquor stores, hospitals, schools, senior citizen complexes, and other regional office facilities.

Industrial Land Assistance Program

Through the process of developing and implementing plans, the communities have made the department aware of the need for the development of industrial parks. In the smaller Alberta communities, there are often no major developers who are privately developing parks. As a result we have, over the past three years, developed an Industrial Land Assistance Program which will greatly assist in the provision of serviced land in communities which have the greatest need. This is a good example of the way in which the province can respond to the needs of smaller communities outside of the metro areas to expand their economic bases.

Main Street Alberta

Our representatives have also assisted Alberta communities in the development of programs for the improvement of main streets in Alberta through the Devonian Foundation's "Main Street" Alberta Program. The representatives have encouraged the 220 eligible communities to participate in the program and have assisted through the provision of counselling or obtaining professional advice for a number of towns in the development of their plans. At this time, the Devonian Foundation has approved programs in 56 communities; 19 in southern Alberta, 29 in central Alberta and 8 in the Peace River area.

V RURAL DEVELOPMENT PROJECTS

The foregoing work applied to towns with a population of 1,000 or more in most cases. However, there are many smaller communities in the province that need help too. Thus, our second strategy centered on small towns, villages, and hamlets.

In 1971, the Department of Municipal Affairs established a Task Force on Urbanization and the Future. One of the questions addressed was the future of small towns. The recommendation which ensued called for the grouping of smaller settlements, which together as a unit gain strength and common purpose.

The proposed project was approved and implemented as Resources Project No. 1 in the Drumheller area. At approximately the same time, a second group in Lac La Biche organized a Regional Development Council which brought together communities, Métis colonies, and Indian reserves.

Funding for the "rural development projects" is in the form of grants, which are supplemented by contributions from each respective participant. The projects are administered by boards of directors (appointed by the small towns) which hire the services of full-time professionals who are domiciled in one of the communities.

There are now five projects in the province located at Carbon, Lac La Biche, Crowsnest Pass, Mundare and Bashaw. Funding for two additional projects in northeast Alberta has been approved.

A great deal of success has been achieved in the areas of housing, water and sewer upgrading, new commercial facilities, developing a new awareness within government of rural community needs and, most importantly, contributing to the pulling together of people and communities as cohesive entities with purpose.

VI REGIONAL BUSINESS AND INDUSTRIAL DEVELOPMENT

The third strategy deals with the exploitation of business and industrial opportunities by way of expansion or new development. This strategy is based on a province-wide opportunity inventory, community data banks, and commodity industry sector feasibility studies.

Our efforts in this area are supported by: an Industry Development Branch, where the task is to enhance the performance of the manufacturing processing industries and associated service sectors; a Marketing Services Branch which provides information on markets and marketing assistance to the private sector; and the Trade Development Branch which provides assistance to the industrial and consulting sectors seeking to expand export sales.

Additional services are available to the business community from our Travel Development Branch, our Business Services Branch, the Alberta Opportunity Company (financial), and the Alberta Research Council.

Our regional development role is to assist the expansion of existing manufacturers in rural Alberta, prepare communities for industrial development, assist communities in preparing data for industrial clients, and assist industries in their respective start-up years.

In our work with business and industrial clients, we encourage them to give recognition to a rural alternative, particularly when the advantages of a town are compatible with the site location requirements of the prospective firm. A review of industrial projects completed (with a total capital cost of $100,000 or more) over the past three years indicates 201 agricultural, forestry, and manufacturing projects were completed, of which 103 were located in rural Alberta, 57 in Edmonton, and 41 in Calgary. These projects created a minimum

of 5,541 jobs of which 2,767 went to rural Alberta, 1,517 to Edmonton and 1,257 to Calgary. Capital invested totalled $301,465,000 of which $145,874,000 was invested in rural projects, Edmonton received $106,716,000, and Calgary $48,875,000 (Table 1).

Business Development

Our representatives and the economic development committees have worked with individual companies in order to attract, expand, or modernize facilities in rural communities. The demands from small business requiring management counselling, guidance, and financial and marketing advice have increased progressively with a positive impact on the representatives' value to the community. During 1976 the ten offices responded to 2,300 business requests.

Alberta Opportunity Towns Advertising Program

The department has assisted economic development committees in finding new business by advertising in major Alberta dailies through the Alberta Opportunity Towns Advertising Program. As a consequence of the 1976 program of advertising business opportunities in small towns, the department has had 234 responses which have resulted in the location of 14 new businesses with another three currently under consideration. New opportunities are now being identified for the next advertisement.

TABLE 1

INDUSTRIAL PROJECT LOCATION SCHEDULE FOR PROVINCE OF ALBERTA, 1973-1976

LOCATION FACTOR	RURAL[1]		EDMONTON		CALGARY		TOTAL	
INDUSTRIAL PROJECTS[2]								
Agriculture	50	(76%)	10	(15%)	6	(9%)	66	(100%)
Forestry	9	(100%)	-		-		9	(100%)
Manufacturing	44	(35%)	47	(37%)	35	(28%)	126	(100%)
	(52%)		(28%)		(20%)		(100%)	
JOBS CREATED								
Agriculture	798	(67%)	222	(19%)	169	(14%)	1,187	(100%)
Forestry	501	(100%)	-		-		501	(100%)
Manufacturing	1,468	(38%)	1,295	(34%)	1,090	(28%)	3,853	(100%)
CAPITAL[3] INVESTMENT								
Agriculture	$60,707	(68%)	$25,413	(28%)	$3,525	(4%)	$ 89,645	(100%)
Forestry	18,997	(100%)	-		-		18,997	(100%)
Manufacturing	66,170	(34%)	81,303	(42%)	45,350	(24%)	192,823	(100%)
Totals	$145,874		$106,716		$48,875		$301,465	
	(48%)		(36%)		(16%)		(100%)	

[1]"Rural" denotes the remainder of the Province of Alberta, that is Rural = Alberta - (Edmonton + Calgary).

[2]Projects included are those with a total capital cost of $100,000 or more.

[3]Capital investment is measured in millions of dollars.

Small Business Development

The department introduced a Small Business Development Program in 1976/77 in an effort to better assist the Alberta business community. Its major responsibilities are counselling small businesses, assisting firms in site selection decisions, and providing guidance to small businesses wishing to take advantage of available government programs.

Community Business Management Counselling Program

The Department of Business Development and Tourism for the past three years has examined the success which the Manitoba Institute of Management has had in holding business seminars and working with specific businesses in certain communities in Manitoba, Saskatchewan, Ontario and the Caribbean. The program brings experts familiar with each aspect of a small business into a specified community to work with local firms to help them to better cope with components of their businesses. Participation is voluntary, but each firm is charged a nominal fee (approximately $20) for the assistance provided. This program was introduced on a pilot basis in Drumheller during 1976, and has been well received by the business community in that town.

In qualitative terms, it is estimated that the participating Drumheller firms will directly either save or increase revenues by approximately $75,000 in total for the first year as a result of the counselling.

This compares favourably to the total cost of the project of $14,000. With some of the businesses, direct results were hard to measure but the consensus was that counselling did succeed in giving these business people greater control of their businesses; in short, "Preventative Management".

Small Business Guides

Because of the increasing complexities associated with starting a business, and because people wishing to start a business are often unfamiliar with what is involved, the department has designed a small business guide called **Starting a Business in Alberta.** This document, currently in the draft stage, will provide individuals with information not only on what is required to start a business, but also what government programs are available to assist them. Guides will be written on financing, the retail and service business, small manufacturing, joint ventures, and licensing.

Other Support Programs

A computerized sharing program for small businesses in rural communities is being studied as a start toward an overall program to group small companies into consortia; this would enable them to achieve economies-of-scale realized by "big business" in such areas as purchasing, warehousing, office services, management systems, and computerized accounting.

Second, a program to ensure the continuity of small businesses in rural communities where the business is threatened due to the owner-manager giving up the business because of ill health, death, or other reasons is being studied.

Third, a Private Sector Advisory Committee on Business Management Counselling has been instituted. It should provide a springboard to better liaison with the accounting profession in rural communities by means of an ongoing program of counselling assistance to small businesses.

Finally, in cooperation with the Department of Advanced Education and Manpower and Canada Manpower, the economic development representatives have developed on-the-job training programs with private industry which provide for training of qualified personnel, with a percentage of the wages for this training being provided by a joint federal/provincial agreement (Canada/Alberta Industrial Training Program). Economic development representatives have viewed this program as being one of the most effective tools in assisting all business in Alberta. The program for the year ending March 31, 1977, included 1,323 contracts involving 3,855 trainees for a total expenditure of $4,522,000.

VII COMMUNICATIONS

The fourth strategy treats communications as a major and integral component of our regional program. This program is the primary

instrument whereby economic development communications will flow to the Alberta public, to industry and business firms, to communities, and to our schools.

To industry and commercial firms, we send information on special business and industrial opportunities, and on government services and facilities which may be used to assist expansion and new development. To communities (that is, Chambers of Commerce, municipal governments, service clubs, local development companies and individuals), we supply information which reports on how economic development takes place, what government assistance is available, and how to take an active role in economic development activities at the community level. To schools, in concert with the Chambers of Commerce, we present material on business, its functions, and opportunities for business careers. To governments, we provide a coordination service so as to enhance communications, and to avoid duplicate and parallel organizations or end results.

VIII BALANCED POPULATION

With regard to balanced population, I would like to address this topic in the context of the first economic development goal - to spread growth on a balanced basis across the province, and to capitalize upon the potential of the smaller centres.

The latest 1976 Census figures show an increase of 210,163 in the provincial population for the period 1971-1976 (Table 2). A comparison of the numerical and percentage distribution of population by rural and urban breakdown shows the decline in rural population has stabilized at 26 percent, the first indication of a turnaround in the rural trend of de-population.

Looking now at the population of cities, towns, and villages, and percentages of total population (Table 3), we see that towns picked up three percent, villages remained basically the same, and cities showed a slight decrease of one percent.

However, a better indication of population distribution and growth might be obtained by looking at groups of communities as classified by their apparent role in the province (Table 4).[2] We have identified five distinct classifications of communities based on: geographic location; access to resources; transportation; historical growth; and future potential as perceived by citizens.

When applied within Alberta, the population distributions and percentages of change (from Table 3) may be summarized as shown in Table 5.

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2 See J. Friedman and W. Alonso, Regional Development and Planning (Cambridge, Mass.: The M.I.T. Press, 1964) for a discussion of regional classification systems.

TABLE 2

NUMERICAL AND PERCENTAGE DISTRIBUTION OF POPULATION, RURAL AND URBAN, ALBERTA[1]

		RURAL		URBAN	
YEAR	TOTAL POPULATION	POPULATION	% OF TOTAL	POPULATION	% OF TOTAL
1966	1,463,203	455,796	31	1,007,407	69
1971	1,627,874	423,317	26	1,204,557	74
1976	1,838,037	478,729	26	1,359,308	74

[1]"Urban" denotes cities and incorporated towns. "Rural" denotes the remainder of the Province of Alberta.

TABLE 3

POPULATION OF CITIES, TOWNS AND VILLAGES AND PERCENTAGES OF TOTAL POPULATION, 1966-1976[1]

YEAR	1966		1971		1976	
TYPE OF CENTRE	POPULATION	%	POPULATION	%	POPULATION	%
CITIES	829,559	57	975,053	60	1,089,481	59
TOWNS	173,182	12	203,917	12	269,827	15
VILLAGES	47,970	3	48,613	3	49,199	3

[1]"Cities" (10), "towns" (103), and "villages" (187) are defined in terms of their incorporation, and are not defined on the basis of population.

TABLE 4

POPULATION OF REGIONS (IDENTIFIED BY COMMUNITIES' ROLES) AND PERCENTAGE OF CHANGE, 1966-1976

YEAR AND CHANGE / REGION	1966	1971	CHANGE	1976	% OF CHANGE
Edmonton and Urban Area Communities (Within 25 Miles) 1966-total 12 1971-total 13 1976-total 13	399,092	470,203	18%	520,820	11%
Calgary and Urban Area Communities (Within 25 Miles) total - 6	344,577	408,822	22%	476,944	17%
Development Corridor Communities (25 miles East and West of Highway 2 Edmonton to Lethbridge) 43 communities	112,330	121,034	8%	138,835	15%
Resource Communities 1966-total 24 1971-total 27 1976-total 27	74,363	91,101	23%	121,152	33%
Peripheral Communities 1966-total 151 1971-total 152 1976-total 152	126,272	135,007	7%	146,798	9%
Isolated Communities and Areas not included in preceding group	406,569	401,707	-1%	433,488	8%
Total Population	1,463,203	1,627,874	11%	1,838,037	13%

TABLE 5

POPULATION CHANGE (GAIN OR LOSS) BY COMMUNITY TYPE, 1966-71, 1971-76

Community Type by Class	Population Gain or Loss	
	1966-71	1971-76
Edmonton and Urban Area Communities	18%	11%
Calgary and Urban Area Communities	22	17
Development Corridor Communities	8	15
Resource Communities	23	33
Peripheral Communities	7	9
Isolated Communities and Rural Areas	-1	8

The summary figures shown in Table 5 reflect a positive shift in population to the smaller- and medium-sized communities. Finally, I recognize that other measures of urban growth could have been used; however, my interest today was to briefly comment on what is happening in Alberta relative to the future of our small- and medium-sized towns, and upon the programs instituted and planned by the Province of Alberta to "spread growth on a balanced basis across the province and to capitalize upon the potential of the smaller centres".

VI CONCLUSION

The Province of Alberta has embarked on a series of policy and program thrusts which are intended to strengthen the economic and social situations of individuals and enterprises located in smaller

centres. Evidence to date indicates that these initiatives, involving a four-part development strategy (rural/urban development, rural development projects, regional business and industrial development, and communications), have already begun to contribute to the goal of spreading growth on a balanced basis across the province, and capitalizing upon the potential of smaller centres.

SMALL COMMUNITY DEVELOPMENT IN SASKATCHEWAN

Harold Dyck, Deputy Minister,
Urban Affairs,
Regina, Saskatchewan

ABSTRACT

During recent years a number of public sector initiatives have been brought to bear upon small communities in Saskatchewan. This paper summarizes many of those initiatives in their general and specific policy and program contexts, with special reference to the intergovernmental (municipal, provincial, federal) component of these contexts.

I INTRODUCTION

I wish to begin by stating that I found the seminar both interesting and stimulating, and a useful forum for pre-testing some of the thoughts and arguments advanced in this paper.

As a second introductory remark, while I am somewhat apologetic for not having prepared an academic treatise filled with trend and correlation analyses, and numerous facts and figures (parenthetically, may I say that I do, indeed, appreciate the discipline which such papers entail), I believe that there is merit in a rather non-academic approach to the topic. After all, one's academic discipline often means that one deals with problems from a particular perspective, and I think that the topic we are discussing this morning, namely, the future of small- and medium-sized communities, is one that requires us to transcend and move beyond the constraints of our individual disciplines.

As a final introductory remark, I think it appropriate to suggest that the "futures" proposed or described in this and other government-originated papers will, for the most part, be traditional, non-speculative, establishment-type futures. That is, it is quite unlikely for persons representing governments to deal with futures other than those which are quite predictable or readily obtainable. This orientation may not fit the bill, as it were, in the university-type setting for this seminar. However, having been in academe, I am of the opinion that the contributions of public sector officials may assist the academic community in better understanding some of the differences between theory and reality.

II POLICY AND POLITICAL CONTEXTS FOR A SMALL COMMUNITY PROGRAM STRATEGY

I do not wish to go to great lengths reporting on or discussing that endless series of government programs which have been created over time by a myriad of federal, provincial, and local governments of every philosophical stripe to deal with small town revitalization and renewal.

Instead, I plan to briefly summarize these programs, and then put them in their "proper" policy and political context, if that is at all possible. As well, I will outline this province's (Saskatchewan's) experience with programs designed to end rural de-population, revitalize small communities, and ensure regional economic and social buoyancy.

Policy and Program Initiatives

In March of 1973, the premier of the province of Saskatchewan, the Honourable Allan Blakeney, speaking to the annual convention of the Saskatchewan Urban Municipalities Association, stated that the central concern of his government was to slow down and, if possible, arrest the de-population of rural Saskatchewan.

However, while rural and small-community revitalization was, and still is, one of the major preoccupations of the Saskatchewan government, it is but one of many concerns.

Put quite simply, the present Government of Saskatchewan, while committed to rural revitalization, the preservation of small-town Saskatchewan, and regional vitality, and all the policy and program implications that those terms entail, is committed to another basic policy. It wishes to ensure that each and every citizen of this province has access to necessary goods and services, and cultural and other amenities, regardless of the size, location, or economic position of the community in which he or she resides. While this second policy commitment does indeed prevent technocrats, bureaucrats, and social scientists from putting into place academically-refined, computer-tested regional development and growth centre strategies, I do not think any one of us would argue that this second major goal of the government is an inappropriate one.

The third policy objective of the Blakeney government, and I think it is supportive and related to the other two, is to diversify the economy of Saskatchewan and distribute the benefits of such diversification across the province. In this regard I suggest that there is indeed evidence that the government has had some success. One statistic that comes to mind immediately, and one which supports this contention, is that the share of production accounted for by agriculture in this province is now less than 50 percent of the total value of production.

In this policy-political context, and the record shows that the province has had success in its general thrust toward achieving agricultural diversification and rural and small-town revitalization, I must emphasize that the pursuit of these policies has been at all times subject to an important constraint...namely, that of honouring, respecting and, indeed, encouraging and supporting local initiative and local autonomy.

Furthermore, while the provincial government has tried to pursue, over the course of the last several years, each of the three objectives outlined above, at the same time there have been modifications in emphasis on different policies and programs aimed at achieving the above goal. The emphasis between 1971 and 1974 was on curtailing rural de-population, and to this end programs such as Farmstart, the Land Bank, and the Family Farm Improvement Program were introduced. In addition, the provincial government took a forthright stand in favour of measures that would ensure

orderly marketing and agricultural stabilization. The goal, as noted above, was to slow down and hopefully stop the exodus from our farms and to preserve the family farm and the rural community.

Following 1974 the emphasis seemed to shift to community (small-town) revitalization. A range of programs and structures were introduced, some with federal assistance (e.g. Neighbourhood Improvement Program and Residential Rehabilitation Assistance Program), and others were developed by the province itself. For example, the Community Capital Fund, a program designed to assist local governments in rehabilitating or enhancing their infrastructure, was created in 1974. As well, in that same year, the Saskatchewan Housing Corporation was established for the purpose of coordinating the wide range of housing and land assembly programs available in the province.

While all of the programs and initiatives on the part of the public sector in Saskatchewan are or may be perceived as commendable, it is a fact that their effectiveness - their ability to challenge and overcome what many take for granted as historical and inevitable trends - will be limited unless they form part of an overall planning strategy on the part of the public sector. Developing such a strategy, in a real world situation, filled as it is with contradictions, human and institutional failings, etc., is the real challenge. It is to such a problem that attention is now turned.

III AN OVERALL PLANNING STRATEGY FOR POLICY AND PROGRAM DEVELOPMENT

There are in excess of 450 incorporated municipal jurisdictions in Saskatchewan, ranging in population from less than 50 persons to cities of well over 100,000 in size. Further, there are approximately 300 rural local government units. These communities - be they rural or urban entities - are dissimilar in as many ways as they are similar, with different histories, ethnic and religious makeups, political and social attitudes, varying economic bases and so on. Given the situation, it is not difficult to visualize some of the problems faced by any democratically-elected government in developing community revitalization programs which could be "all things to all communities".

Having noted the differences and dissimilarities, it is nevertheless necessary to stress that there are indeed certain standard realities in the province. One such reality is that many of Saskatchewan's smaller local government units do find it difficult to raise the necessary revenues to finance development in their communities and, furthermore, even when finances are adequate there is difficulty in determining the optimum use to which such monies should be directed.

With regard to the difficulty of raising necessary revenues, the Government of Saskatchewan has set three goals which, it is believed, will help to improve the present situation.

First, the provincial government is committed to an ambitious program of reassessing, by 1981, the (approximately) one million rural and urban properties in the province. This will raise the revenues of local municipalities by about one-third, certainly a first step in enhancing the financial well-being of small-town, in fact "any town", Saskatchewan.

Second, there has been a phenomenal growth in the operating grants paid by the province to local governments. In 1970-71, the total value of operating grants paid to provincial municipalities by the Department of Municipal Affairs stood at $483,136. By 1976-77 these grants had expanded to $13,227,596, a 38-fold increase in the space of six years. And, it should be noted that these statistics do not indicate the great increase which there has been in capital grants paid to municipalities over the same period ($19.2 million in 1976-77, compared to $1.2 million in 1970-71).

While the increase in grants to our municipalities has been dramatic, it is a fact that with many of the grant programs the allocations have strings attached. That is, funds must be spent on certain projects in certain ways. Hence, although local governments and the province's citizens no doubt benefit from such assistance, there are objections raised as to the effect such beneficence has on local autonomy.

In order to resolve this problem, the province of Saskatchewan has committed itself to serious consideration of a third goal, that of revenue sharing. This approach provides a means whereby a certain number of existing program budgets can be rolled together and funds distributed to municipalities for their own use, according to locally-determined priorities.

It is important to note and to appreciate that revenue sharing does not necessarily mean an increase in provincial cash flows to local government. However, and this may be an even more consequential factor, it is an important initiative and, may I add, a first for Canada. If adopted, it will represent a tangible commitment to independent and autonomous local decision-making.

I repeat, though, for emphasis, that increased financial assistance and commitment to greater local autonomy does not remove the difficulties faced by our communities; in some cases, it may exacerbate them. Those two pursuits of funds and autonomy sometimes obscure other concerns and problems, so it is appropriate to elaborate on the matter of effective and efficient allocation of resources once the ways and means do become available.

Local governments remain faced with the problem of determining how best to spend available monies - a difficult task, if reports I hear from annual accountability sessions with ratepayers and burgesses are any indication.

And, strange as it may seem, many small centres are faced with an even more severe problem than that of trying to determine which of several projects deserves funding: that is, they often are at a loss to find any project to which to allocate grant funds! I can personally attest to this fact, for just a few days ago a small community contacted my office following the receipt of a circular letter from our department, a letter indicating to them that the unspent portion of a grant allocation would be returned to the provincial treasury unless committed to a local project.

The community had a legitimate and serious problem: where to commit the money in a village of some 80-odd souls, the vast majority of whom had either not attained the status of teenager or had received several old-age pension cheques. The blessing had become a curse.

In spite of such difficulties, and they are not just operant in Saskatchewan, I suggest, the public sector continues to be called upon to relate actively and in a timely manner with small-town and community rehabilitation and revitalization efforts. Clearly, the public does appreciate the fact that the threats to community structure and a way of life will not remain "in stasis" while procedures respecting the application of a particular program are fine-tuned. Hence, government must act!

Over the past several months, a number of new initiatives have been launched by the Government of Saskatchewan. The province has committed itself to a variety of programs designed to facilitate

downtown revitalization and mainstreet rehabilitation; urban infill policies are being developed as a means to bring new life to the urban core; and increased aid (both financial and technical) are being provided to our communities. These efforts will, among other things, enable them to better cope with the effects of industrialization, and enhance the level of municipal services provided, be they water and sewerage facilities, streets and roads, urban transit capabilities, or recreational facilities.

As well, the provincial government is discussing regional planning with local government officials from our three major urban commutersheds - Prince Albert, Saskatoon and Regina. The objective is to introduce elements of a regional planning strategy into these urban-influenced areas, a somewhat touchy proposition in this province, if one remembers the reaction of local governments, Chambers of Commerce, etc. to the proposals for local government reform put forward by the government in 1960. (Those recommendations for local government reorganization are contained in the report prepared by the Saskatchewan Commission on Agricultural and Rural Life.)

There exists, therefore, a whole range of government programs designed to encourage and foster community revitalization and growth. Once again, however, a caveat is in order. That is, a senior government tendency, worthy though it is, to be program sensitive to the needs of local governments may introduce a veritable "alphabet soup" of offerings and thereby cause difficulties. A dimension

of this "difficulty", sometimes overlooked by senior governments, but often sharply and painfully experienced in terms of an inability to cope at the small community level, warrants elaboration.

Many local government administrators, be they town clerks or village secretary-treasurers, are employed on a part-time basis (four or five hours per week in many cases), and they often take on these jobs in the spirit of community-mindfulness. Further, being the mayor or councillor/alderman in a small community is usually a "second job". Hence, the actual or perceived need on the part of small community officials to wade through and analyze a series of programs, and then attempt to determine which is best for one's community, can become regarded as an overwhelming responsibility and may induce them to throw up their hands in despair.

As stated above, the public sector must continue to develop new policies and program initiatives, and it cannot assume that the economic and social forces which threaten community structure will await refinements of a particular government program or series thereof. I hasten to add, however, that governments would be negligent if they made no attempts to come to grips with the very real problem associated with program application.

I suggest that we either reduce the number of these programs, or better coordinate existing programs, so that local communities can actually make use of the provisions contained therein. We need to provide better information to our local government clientele, and we've got to start talking to local governments in ordinary English, not in our usual academic or bureaucratic lingo.

IV FORCES INFLUENCING POLICY AND PROGRAM STRATEGIES

Over the past several months, I have had the opportunity to read several books and "learned" papers on the topic of the seminar. I would now like to turn my attention to these.

First, I found, in much of the literature, the following assumption: in the field of community revitalization provincial governments are paramount, and furthermore, that if blame is to be levelled for failure to arrest community decline, rural de-population or what have you, the culprit is the provincial government.

While I wish such were the case, as corrective provincial government initiatives would be beyond the influences of "outside" forces, I believe that you would find little support for such a proposition in Western Canada. Many decisions affecting our region are made elsewhere and by other entities, be they the federal government, our national railway companies, the corporate decision-makers on Bay Street, or the barons of the international grain exchanges.

For those who doubt my statement, I suggest that they carefully read reports and findings of the Hall Commission on Rail Transportation, or analyze the relationship between grain prices on the international commodity markets and the buoyancy of the Prairie economy, and particularly that of Saskatchewan.

I am not trying to say that provincial governments are powerless, as they can do and have done a great deal. However, one would be naive if one assumed that any single provincial government on the Prairies can completely resist the forces of economic centralization. In fact, much of the work done by the public sector in Western Canada is in reaction to decisions made elsewhere, decisions over which we have very little real control.

Second, I found that much of the literature assumes that it is a very simple task for provincial governments to ensure community stability and regional vitality, that the public sector should find it a relatively simple matter to direct growth inside its boundaries, even to the extent of placing an ideal hierarchy of "central places" on the landscape.

Such assumptions would indeed be tenable if one were planning a new society. Unfortunately this is rarely the case, even in Saskatchewan, which was surveyed years in advance of the great wave of immigration which took place in the years immediately preceding and following the first Great War.

Further, the suggestion (contained in much of the literature I have just referred to) that senior government reorganize on functional lines creates an added type of difficulty. In particular, such an approach often results in a proliferation of a government's program repertoire and, in fact, all too often militates against the functional coordination of government departments and agencies.

The proponents of an "easy central place program formulation" also overlook the fact that local governments are staunch defenders of their local autonomy. Rightly or wrongly, local officials often see any senior government attempt to facilitate or encourage regional planning or inter-municipal cooperation as an attack on independent local decision-making. In this regard, and by way of illustration of this "reality", there exists in Saskatchewan few inter-municipal agreements with respect to fire protection, joint provision of ambulance service, or recreational facilities development. In fact, even the province's guarantee of "openness" in formulating regional planning and development strategies in our major urban commutersheds is greeted with a certain amount of hesitancy.

Finally, I should state that even if the bureaucracy and our various hired experts were willing and capable to do "whatever was deemed necessary", we would find ourselves at odds with the elected leadership of our province. Specifically, although local government is, constitutionally-speaking, a creature that exists at the pleasure of a province, the

Government of Saskatchewan firmly supports, and in fact encourages, independent local government and independent decision-making at the local level.

V CONCLUSION

In his paper, Professor Stabler reports that from his analysis of the most recent population statistics available for the province, the rural and small town population decline Saskatchewan experienced during the past several years appears to have abated somewhat, and that a measure of demographic stability has set in.

While such findings are encouraging, I think we would be deluding ourselves if we viewed large-scale out-migration from the rural areas and small towns of Saskatchewan and the other Prairie provinces as a thing of the past. While it is true that there has been economic diversification, it is also true that much of our economy still remains tied to the fluctuations of the international marketplace. The citizens of Saskatchewan, through their various government agencies, will continue their efforts to preserve, and indeed, strengthen, the vitality of our rural and small town way of life, but we require the assistance of the federal government to attain those objectives.

It is acknowledged that the federal government is in the process of developing, with the province, a series of programs and strategies designed to aid small communities. This is welcomed. However,

it must also be acknowledged that the federal government has yet to endorse the two major recommendations of the Hall Commission - namely, that the Crowsnest Rates be maintained, and that the present country-elevator system of grain handling be maintained and strengthened. I submit that unless the Hall Commission's major recommendations are endorsed, and endorsed quickly, all of the very fine community-oriented programs of the central government will be of little real value.

I am confident that this very real fact is recognized by the federal government, and I look forward, both as a civil servant and as a resident of Saskatchewan, to working with all three levels of government to ensure that the way of life of the people of Saskatchewan, and that which makes this province a unique place to live, are preserved and nurtured for generations yet to come.

ASSESSMENT OF THE "STAY OPTION" OF MANITOBA*

Helgi Austman,
Assistant Deputy Minister,
Rural Development and Regional Division,
Manitoba Department of Agriculture,
Winnipeg, Manitoba.

ABSTRACT

The objective of this paper is to describe 1) the agriculture/small community situation prior to the introduction of the "Stay Option" policy in Manitoba, 2) the policy basis of the "Stay Option", 3) the program component of the "Stay Option" and associated policy thrusts, and 4) the impacts which these policy and program initiatives have had upon the people and enterprises of rural Manitoba. There are strong indications that these efforts have succeeded in not only arresting a seriously deteriorating agricultural and small community situation in Manitoba, but also are helping to bring about an economically and socially rejuvenated state of affairs in the rural areas in particular and throughout the Province of Manitoba in general.

I INTRODUCTION

During my career in rural extension and rural development work, my main interest has always been rural communities and rural people. In the earlier part of my career when I was primarily concerned with district groups and individuals, I had not begun to be concerned about the rural community as such. In the late 1950s and early

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* The assistance of Janet Honey, Resource Analyst, Planning Secretariat Manitoba Department of Agriculture during the preparation of this paper is gratefully acknowledged.

1960s, however, I became more involved in rural development work; I began to see the dilemma faced by rural communities because of the ever increasing out-migration of rural people. During that period and through to the beginning of the 1970s, the general attitude was one of accepting the observable trends and developing programs and policies to accommodate these and, in fact, even helping the trend along.

Since 1970 in Manitoba and, I believe, across the Prairies, there has been some concerted effort to try and stem the trend, intervene if you like, to try and change the direction of the trend which, if allowed to continue without intervention, would lead us into real social difficulties. The last seven or eight years is really the period that I want to review with you here today. You will note that I place emphasis on agriculture and farming. The reason for this is that I believe there to be a vital linkage between the health of agriculture on the Prairies and the health of rural communities.

II THE TRENDS AND PREDICTIONS PRIOR TO 1970

Statistical Trends in Population and Income

We are all familiar with the statistical trends in rural de-population; increase of farm size, decrease of farm numbers, low income problems of rural areas, and the subsequent detrimental effect of this trend on rural communities. Just to review briefly the way we saw these trends in Manitoba, here are a few figures:

- From 1941 farm numbers decreased by an average of almost 800 per year from 58,024 in 1941 to 34,981 in 1971. The period of greatest decline in farm numbers was in 1956 to 1961 when 5,895 farmers left their farms. It was predicted that farm numbers would continue to decline at the rate of 1,000 per year from 1971 to reach less than 25,000 in 1981. (Table 1).

- Average farm size increased from 153 acres per farm in 1936 to 366 acres per farm in 1971. The most significant increase in average farm size was in the 1966-1971 period when an increase of 53 acres per farm was recorded. (Table 1).

- Total farm cash income fluctuated from 1941 to 1956 with a low of $85 million in 1941 and a high of $272 million in 1951. From 1956 to 1971 farm cash income increased by an average of $13.3 million per year to reach $381 million in 1971, (Table 1), but with only a minimal increase of $4 million from 1966 to 1971.

- The population of rural Manitoba increased by 12,822 or 3.4% from 1951 to 1961, showed a slight net increase of 546 or 0.1% from 1961 to 1966 but showed a massive net decrease in population of 19,852 from 1966 to 1971 (Table 2). If it were assumed that the rate of decline would continue at 4,000 per year from 1971, the rural areas would be completely de-populated by the year 2065!

TABLE 1

FARM STATISTICS FOR MANITOBA
1936-1976

FACTOR	1936	1941	1946	1951	1956	1961	1966	1971	1976
Farm Population	261,167	249,599	224,919	219,233	202,163	172,946	161,662	131,202	N.A.
Number of Farms	57,774	58,024	54,448	52,383	49,201	43,306	39,747	34,981	32,104
Av. Size of Farm	153	169	179	205	233	276	313	366	N.A.
Farm Cash Sales ($ mill.)	47	85	166	272	211	243	377	381	889
Av. Farm Cash Sales ($)	800	1,500	3,100	5,193	4,289	5,613	9,470	10,818	27,677
Av. Net Farm Income ($)	300	900	1,900	3,434	2,614	1,308	3,889	5,326	10,174

Source: 1976 Yearbook, Manitoba Agriculture

TABLE 2

RURAL MANITOBA REGIONS
POPULATION SIZE AND CHANGE — 1951-76

REGION	POPULATION SIZE					POPULATION CHANGE							
						1951-61		1961-66		1966-71		1971-76	
	1951	1961	1966	1971	1976	No.	%	No.	%	No.	%	No.	%
Southeast	55,470	56,682	58,883	58,736	63,063	1,212	2.2	2,201	3.9	-147	-.3	4,327	7.4
Interlake	57,393	60,653	61,948	60,446	62,707	3,260	5.7	1,295	2.1	-1,502	-2.4	2,261	3.7
Central	95,353	99,186	95,803	91,915	91,459	3,833	4.0	-3.383	-3.4	-3,888	-4.1	-456	-.5
Southwest	107,855	115,672	116,935	108,658	108,714	7,817	7.2	1,263	1.1	-8,277	-7.1	56	.1
Parkland	66,273	62,973	62,143	56,105	54,027	-3,300	-5.0	-830	-1.3	-6,038	-9.7	-2,078	-3.7
RURAL MANITOBA TOTAL	382,344	395,166	395,712	375,860	379,970	12,822	3.4	546	.1	-19,852	-5.0	4,110	1.1

Source: Statistics Canada, Census of Population, 1951 to 1976.

Let us keep these facts in mind when we review (later in this paper) the changes that took place in the 1971-76 period.

Agricultural and Rural Policy Trends

In the late 1960s there was both national and provincial concern about rural incomes and the trends of farm and rural to urban migration. Western agriculture was in the deepest depression since the "dirty thirties". Farmers were faced with restrictive quotas and low prices for farm products.

Governments were of the view that a "trim, slim and efficient" agriculture industry could only be achieved through a reduction of the country's total farm population. Two government reports affecting Manitoba farmers reflected the view. One was the TED Report, Targets for Economic Development, which was produced by the Government of Manitoba and released in early 1969. It called for the reduction by almost half of Manitoba's farming population to 20,000 operating units by 1980.

A second report was that of the federal government's Task Force on Agriculture, released in 1970. That report called for the reduction by two-thirds of the number of farming units in Canada by the 1990s, and a reduction in the country's farm acreage by some ten million acres.

One heard statements such as "by 1980 more than ninety percent of all Canadians will live in centres of a population of 10,000 or more," or "eighty percent of all Canadians may be living in three metropolitan areas." Along with this went a general attitude of preparedness for rural to urban migration. Thus, government and industry decisions to build and expand were automatically aimed at the larger urban communities. This attitude yielded policies that tended to indirectly promote rural-urban migration. As can be readily appreciated, it is but a small step to go from indirect promotion to a stepped-up program of direct promotion of rural-urban migration.

Hence, during the 1960s we had an attitude of acceptance of the "inevitable", that is, preparedness for the trend to take place, indirect promotion and, in fact, direct incentives for moving. Few people stopped to ask themselves whether continued rural-urban migration was indeed inevitable; very few even wanted to think about the end result; nobody seriously tried to investigate whether this migration was costly to society; it seemed that it was taken for granted that the rural-urban migration was a "good thing".

Studies done in the early 1970s show that against the private costs of migration must be placed the public costs, which do not enter into the calculation of the individual migrant, but which are the proper consideration of society. If society's loss is greater than the migrant's private gain, then both society and the migrant can

be made better off if society pays or compensates the migrant up to the point which will allow the migrant to remain in the rural area. For a great number of migrants the choice they make is not a free choice, and migration occurs not as a positive or preferred way of life, but as a forced choice made necessary by the farm and rural situation.

The present Manitoba provincial government, which assumed office in 1969, viewed agriculture in a different light and did not accept the demonstrated trends as being inevitable. It saw the immediate need to put cash into farmers' pockets. It saw the immediate need to rescue hundreds of farmers from bankruptcy; the need to raise and stabilize farm incomes; to get away from the boom and bust effects of depending on the world grain markets, and to diversify Manitoba's agriculture. It saw the need for farmers to take a more active part in the marketing of their products; the need to strengthen the family farm as the basis of Manitoba's agricultural industry; the need for the provincial government to exert pressure on the Government of Canada to bring about changes in federal agricultural policies. It saw the need to develop rural industry and improve rural incomes and employment and, in general, to make the rural areas a better place in which to live.

These concerns became embodied in a general policy thrust known as the "Stay Option" - a policy to promote the social and economic well-being of rural residents so that they might have a genuine

opportunity to remain in the region of their choice without sacrifice of their standard of living.

III GUIDELINES FOR THE SEVENTIES AND POLICY PROPOSALS TO SUPPORT THE STAY OPTION

In the early 1970s work was begun in Manitoba on an analysis of where we had been over the last few decades and where we should be aiming to go with public policy. It was based on the broad objectives of bringing about more equality of opportunity and more equality of the human condition for Manitobans. It took into account the economy of Manitoba and put emphasis on the population and its needs in terms of its disparity of income and opportunity in all walks of life.

As an example, in looking at agriculture, as of 1971 (and the picture was similar across the Prairies), only 28% of all Manitoba farmers sold agricultural produce with a value of more than $10,000; this would be near the minimum required to yield a decent income from farming.

It was pointed out that "these income figures reflect the need to develop agricultural programs and policies at both provincial and federal levels which will boost farm income and ensure its equitable distribution, particularly through enhancing the viability of the small- and medium-sized farm". Here was a direct indication that there should be intervention against the so-called inevitable trend.

There were four principles in the guidelines document in general, and they were applied specifically to farmers as follows:

- Maximizing the general well-being of Manitobans.

  To meet the implications of this principle will require that the position agriculture holds in the Manitoba economy be greatly strengthened. The continued decline of employment opportunities in agriculture must be ended, and the growing gap between incomes in agriculture and other industries must be reversed.

- Greater equality of the human condition.

  The second principle, increased equality, has tremendous implications for agriculture when one considers the income disparities which exist between farm and urban incomes. The equality theme has significance within agriculture as well as within a broader economic context. Greater opportunities must be extended to operators of small- and medium-sized farms to enhance the economic viability of those units.

- The "Stay Option".

  The fact that an average of 1,000 families a year are leaving agriculture illustrates the need for the "Stay Option". The "Stay Option" is intended to correct those balances which have resulted in people in rural areas being forced to leave farming and the region of their choice due to economic hardship. The "Stay Option" implies a commitment to strengthening agriculture and stimulating the rural economy so that opportunities

for employment in the rural region exist for people who prefer the rural lifestyle.

- Widening participation.

  The principle of widened participation will be embodied by agricultural policies aimed at assisting farmers in organizing for the purposes of strengthening their position in the marketplace. Due to lack of a necessary institutional framework, farmers have found it impossible to influence such basic things as the prices they are paid for their products, or the prices they pay for their supplies. Through effective group action, farmers can realize more meaningful participation in the development of their industry.

As a result of the analysis of agriculture in Manitoba, three general program proposals were set out. These were designed to produce optimum benefits to the total rural community and particularly for the farmers presently in the lower and middle income groups, and were as follows:

- Agricultural production must be expanded through programs enabling farmers, particularly those with smaller farm units, to increase their productive capacity in the livestock area.
- Every effort must be made to stabilize prices at adequate levels through improvement in marketing structures. As well, the Government of Manitoba should continue to cooperate with other provincial governments to impress upon the federal government the need for a more consistent national policy in support of Prairie grains producers.

- Efforts should be made to reduce or keep in check the cost of farm inputs through central purchasing of farm supplies or bulk buying by organized farm groups.

In addition to agriculture specifically, there was considerable study of rural Manitoba in general. The overall goal for rural Manitoba was stated as follows:

> "For the next decade, the aim of public policy for rural Manitoba will be to strengthen the rural economy through agricultural and industrial development and, in general, to improve the quality of life in rural areas. In the absence of such a policy, history has shown that large numbers of people have been leaving the countryside to take advantage of opportunities elsewhere."

Guidelines for the Seventies emphasizes "balanced regional growth because the range of opportunities in rural areas must be increased if people are to have a real choice to remain in the rural region if they so desire." Stress was placed on the concept of development in which economic growth is not an end in itself, but a means to the goal of social well-being. Because rural areas are subject to low per capita incomes, high property taxes, and unequal access to necessary public goods and services in relation to large urban centres, emphasis was placed on the importance of the equality principle to rural Manitoba, and of course in direct emphasis of the "Stay Option", the need to provide sufficient opportunities in all regions, so that people can find a satisfying life in the region of their choice.

The guidelines were in the form of options and alternatives which would guide future activities. In the area of employment, incomes, and taxation, it was pointed out that "efforts must be made to maximize the employment potential of agriculture, to strengthen the family farm as the basis of production, and to maintain farm income at adequately high levels". It was indicated that industrial development had to take place in rural Manitoba not as a goal in itself, but as a means toward improving job opportunities. This would require improved financial institutions and the promotion of cooperatives as well as private business. Training and employment directed into rural areas would continue to be an important input leading to improved job opportunities and the creation of new jobs. A taxation policy which would provide for greater equality among rural people was also emphasized. Under the broad area of social policies, health, education, housing, and recreation as well as transportation were reviewed in terms of improving their availability and services in rural areas. These were all considered as essential elements in improving the level of service available to rural people. Finally, decentralization of government services was strongly proposed in order to both enhance job and income opportunities of rural people, and to bring services closer to the people in rural Manitoba.

IV PROGRAMS AND POLICIES IMPLEMENTED IN MANITOBA IN SUPPORT OF THE "STAY OPTION"

Within the guidelines already outlined, the Manitoba government embarked on numerous programs and policies to strengthen the viability of family farms and rural communities in Manitoba.

Agricultural Development

A reactivated Manitoba Agricultural Credit Corporation established new programs offering farmers loans for the purchase of livestock, machinery, and materials for building construction. Now young farmers can take advantage of a loan program offering a reduced interest rate.

The Farm Diversification Program introduced in 1972 has assisted over 2,600 farmers to strengthen the economic base of their farms (Agricultural and Rural Development Act (ARDA) cost-shared program). The program offers participating farmers intensive farm management advice, grants of up to $2,000, and loans to a maximum of $10,000.

The Land Lease Program introduced in 1973 has assisted more than 475 families to become established as farmers or to expand their operations to render them viable. Under the Land Lease Program the lessee has the option to purchase the lands under lease

anytime during the lease at the price paid by the corporation for the land. It is an important program to encourage the continued development of family farm operations.

The Farm Machinery Act, introduced in 1971, assures farmers of better service and warranty protection. Under the act, a Farm Machinery Board has been established to arbitrate and investigate disputes.

Coverage under Manitoba's Crop Insurance Program has been expanded to include hail spot loss insurance. In 1974 forage crop insurance for hay production was introduced. The Manitoba government initiated a new cost-sharing agreement with the federal government whereby farmer premiums have been reduced by one-third. Well over 70 percent of eligible Manitoba farmers are now covered by the province's crop insurance program.

The Manitoba Beef Income Assurance Program was introduced in September, 1975 as part of the provincial policy of encouraging income stability for farmers. Over 5,700 beef producers initially joined the program, which is intended to provide producers a guaranteed market price for their cattle based on a cost-of-production formula. In 1976 another 631 producers joined the program. Over 60 percent of Manitoba's commercial cattle producers are participants. In total, $34 million has been paid out since the plan was established. In addition, beef producers received $8 million in feed assistance in 1975-76, and $10 million in interest-free cash advances in 1974-75.

Other programs such as the Livestock Incentive Program, Grassland Societies, Crown Land Leases, Stocker Program, Artificial Insemination Program and the Industrial Milk Expansion Program helped increase agricultural production in the province. Farm input costs were reduced by Production and Purchasing cooperatives, government bulk purchasing of chemicals and pesticides, the Hay Assistance Program and the provision of labour to build capital works on farms under the Provincial Employment Program. Improved marketing of agricultural commodities was provided by the Manitoba Marketing Board and Producer Boards. The Planning Act, Alternate Land Use Program and the Soil and Water Conservation Program improve and protect land.

This year the government has initiated an important new legislative thrust in the form of the Farm Lands Protection Act. This legislation places restrictions on the amount of land that may be purchased by foreigners, corporations and Canadian residents who are not farmers. Its introduction followed considerable public discussion initiated by the government with the establishment of a Special Committee of the Manitoba Legislature two years ago.

The purpose of the bill is to curb absentee ownership of land which threatens security of tenure, and to remove or at least reduce external influences on the price of land. Further, it will encourage the continuation and strengthening of the family farm - a major goal of the "Stay Option" policy.

The aim of these various programs is to strengthen the family farm, improve the viability of small- and medium-sized farms, stabilize farm products and the incomes of farmers through marketing boards, as well as improve the quality of life in rural areas. The overall aim is to stabilize and encourage the growth of our rural economy.

Employment and Training Assistance

Manpower policy is directed to ensure that people can find meaningful employment in their region of the province. Programs such as the Capital Works Acceleration Program, the Manitoba Special Municipal Loans and General Emergency Fund, the Provincial Employment Program and the Rural Student Temporary Employment Program, help improve the job opportunity situation during times of high unemployment. The Provincial Employment Program hired over 1,300 persons each season of operation, and built 715 capital works on farms (e.g. pole barns, hay shelters, barns), as well as numerous community facilities such as community halls. The Student Temporary Employment Program provided the labour for painting barns, fixing farm fences, etc. Over 1,200 students were hired each summer from 1973-75, and many farmers were assisted.

Other programs such as Manpower Corps, Work Activity Projects, the New Careers Program, Special Mature Students Program, and the Employment Services Program assist disadvantaged rural Manitobans

to train for, find, and hold employment. The Farm Labour Placement Program matches farm workers with farm jobs. Government decentralization has provided hundreds of professional, technical, and clerical jobs in rural areas. Assiniboine and Red River Community Colleges provide a wide variety of courses in any rural community which needs training input, and the Small Schools Program assists small schools to identify and meet their needs.

Rural Infrastructure Improvement

To improve the quality of life in rural Manitoba, a sewer and water services program was launched to provide farmers with grants of up to $300 for the installation of water and sewer facilities in their homes (ARDA cost-shared program). Since its inception in 1969, technical assistance has been given in over 17,000 cases, and over 10,000 grants have been approved. Farmers can also save between 30 and 40 percent of the cost by ordering their plumbing supplies through the central purchasing facilities of the Department of Agriculture. This program has also contributed to greater employment opportunities in the rural construction industry.

Through the Manitoba Water Services Board, grants and loans are made available to towns and villages for improvements to their water and sewage systems. Since 1972, 46 towns and villages have established new or improved water taxes through sharing of municipal costs. In addition, we have drilled about 90 community wells. These

efforts represent an important part of the "Stay Option" policy to improve the quality of life in rural Manitoba.

To date, 30 veterinary clinics have been built under a government program of veterinary clinic construction (some with assistance from the federal Department of Regional Economic Expansion). Now Manitoba farmers can take advantage of modern veterinary facilities to ensure healthier livestock. The department supports the veterinary service districts with annual operating grants. The clinics have been constructed by our department's Rural Manpower Corps, a program that trains rural residents in construction skills.

Other programs to improve the facilities available to rural Manitobans include Southern Manitoba Airport Assistance Program, Recreation Facilities Grant Program, Libraries Grant Program, Park Planning Assistance Program, and the Water Services Board and Community Well Programs. Since 1971, 297 community recreation facilities have been constructed with the grants from the Recreation Facilities Program. These included 46 new arenas and 27 renovated arenas, 9 new community halls and 28 renovated halls, 25 new curling rinks and 13 renovated rinks, as well as numerous other facilities such as swimming pools, outdoor ice rinks, tennis courts, etc. The largest grants were made to communities with less than 300 people, with total grants exceeding $2.4 million.

Manitoba Telephone System has installed direct dialing in most Manitoba communities and has lower rates than privately owned companies. The Community Management Program provides analysis,

counselling, and guidance to firms in small communities. Numerous housing programs are available such as the Critical Home Repair Program, Rural and Northern Housing Program, Co-op Housing Program, Rural Mortgage Lending Program, and Elderly Persons Housing Program, to name a few.

In the period 1971-76, the Manitoba Housing and Renewal Corporation (MHRC) was committed to the construction of 1,577 elderly persons' housing units, 1,661 public housing units and 1,218 rural and native housing units; MHRC also renovated or repaired about 4,500 housing units in rural Manitoba.

Community Services - Development and Improvement

The Community Affairs Program has played an important part in ensuring that rural people are made aware of the various government programs and services, and in assisting them to take advantage of the opportunities offered. Emphasis was placed on helping those communities with a history of low participation. Many small communities and local groups were able to take advantage of programs they had not been aware of. Regional newsletters went into over 90,000 rural homes to inform rural people of the new and existing government programs. Rural development counsellors worked with low and middle income rural families and individuals to help them make use of government programs and improve their income situations.

Programs such as the Home Economics Program, the Child Day Care Program and the Children's Dental Care Program provide some of the home and health services which are made available to rural Manitobans.

The Citizen's Inquiry Service, a toll-free telephone service initiated in 1973, provides information to rural Manitobans on government policies and programs.

Rural Income Assistance

The Property Tax Credit Plan, the Cost of Living Credit Plan, and the increased minimum wage level are three ways whereby the Manitoba government has helped redistribute income to low income, rural Manitobans. The elimination of medicare payments, social assistance support, and a guaranteed annual income pilot project have also aided low income people.

Rural Business Assistance

The Small Business Assistance Program provides an information, counselling, and referral service to small businesses, especially those in rural Manitoba. Since its inception, 369 rural businesses have been assisted. The Small Business Management Program, the Small Enterprise Program, and the Resource Industries and Construction Branch help with the creation of opportunities which result in new jobs in rural Manitoba.

The six Regional Development Corporations provide information on communities to potential investors, and they are of course, enthusiastic supporters of the "Stay Option" concept.

You can appreciate, I'm sure, that any detailed explanation of these many programs designed to support the "Stay Option" would take far too much time at this point. Information is, however, available on the intent and content of any of them.

V CHANGES IN TRENDS, 1971-76

Population

Examining rural Manitoba's population by town size grouping, the following trends were evident (Table 3). Brandon's population increase declined steadily to the 1966-71 period where an increase of only 3.9% was recorded. For the years 1971-76 the trend was reversed and Brandon's population increased by 6.7% over the five years.

Regional centres[1] also showed a slowing down of population increase over the years to the 1966-71 period, and with a similar reversal of trend, showed a slightly greater increase (2.9%) in 1971-76 than

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[1] Three types of centres (regional, market, local) in Manitoba were generally categorized according to their size as well as by type and amount of business activity. (See Table 3.) This information was drawn from RAP (Regional Analysis Program) Paper No. 2, "Analysis of Community Functions and Relationships". (Winnipeg, Manitoba: Regional Planning and Development Branch, Manitoba Department of Industry and Commerce, 1973).

TABLE 3

POPULATION OF RURAL MANITOBA BY SIZE OF CENTRES
1971 and 1976

CENTRE / YEAR	1971	1976	% change
Brandon	37,713	34,901	-6.7
Regional Centres:	40,082	41,247	+2.9
Portage la Prairie	12,950	12,555	-3.1
Dauphin	8,891	9,109	+2.5
Steinbach	5,265	5,979	+13.6
Selkirk	9,331	9,862	+5.7
Swan River	3,645	3,742	+2.6
Market Centres:	36,038	39,336	+9.1
Altona	2,122	2,480	+16.9
Beausejour	2,255	2,422	+7.4
Boissevain	1,506	1,584	+5.2
Carman	2,030	2,272	+11.9
Gimli	2,041	1,659	-18.7
Killarney	2,074	2,348	+13.2
Melita	1,132	1,169	+3.3
Minnedosa	2,621	2,718	+3.7
Morden	3,266	3,886	+19.0
Morris	1,408	1,572	+11.6
Neepawa	3,215	3,508	+9.1
Roblin	1,753	1,971	+12.4
Russell	1,526	1,524	-0.1
Souris	1,674	1,712	+2.3
Stonewall	1,583	1,826	+15.4
Virden	2,823	2,936	+4.0
Winkler	3,009	3,749	+24.6
Local Centres:	34,381	35,341	+2.8
Lac du Bonnet	952	971	+2.0
Niverville	938	1,251	+33.4
St. Pierre	846	906	+7.1
St. Anne	1,061	1,174	+10.5
Emerson	830	756	-8.9
Gretna	522	510	-2.3
Plum Coulee	480	477	-0.6
Powerview	667	668	+0.1
Cartwright	340	361	+6.2
Crystal City	555	513	-7.6
Manitou	871	883	+1.4
Pilot Mound	763	730	-4.3
Somerset	646	625	-3.3
Deloraine	961	1,019	+6.0
Hartney	579	484	-16.4
Napinka	135	151	+11.9
Waskada	247	257	+4.0
Elkhorn	569	527	-7.4
Oak Lake	342	367	+7.3
Carberry	1,305	1,423	+9.0
Glenboro	698	720	+3.2
Rivers	1,175	1,185	+0.9
Wawanesa	478	487	+1.9
Gladstone	933	976	+4.6
MacGregor	744	789	+6.0
Notre Dame de Lourdes	613	651	+6.2
Treherne	628	706	+12.4
St. Claude	679	612	-9.9
Garson	301	290	-3.7
Dunnottar	222	219	-1.4
Teulon	828	873	+5.4
Birtle	882	821	-6.9
Erickson	531	558	+5.1
Hamiota	822	765	-6.9
Rapid City	374	412	+10.2
Shoal Lake	833	865	+3.8
St. Lazare	431	476	+10.4
Binscarth	469	430	-8.3
Rossburn	638	652	+2.1
Ethelbert	526	493	-16.7
Gilbert Plains	854	847	-0.8
Grandview	967	1,013	+4.7
McCreary	545	614	+12.6
Ste. Rose du Lac	818	1,038	+26.8
Winnipegosis	887	893	+0.6
Arborg	879	861	-2.0
Riverton	797	685	-14.0
Winnipeg Beach	687	582	-15.2
Benito	479	507	+5.8
Bowsman	443	483	+9.0
Minitonas	610	605	-0.8
RURAL AREAS:	232,646	229,145	-1.5%
TOTAL RURAL MANITOBA:	375,860	379,970	+1.1%

Source: 1971 and 1976 Census - Final Population Counts.

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for the previous five years (2.4%). The smaller - than - expected increase for the 1971-76 period was due to Portage la Prairie's decrease in population which caused a reduction in the combined population increase of the five centres. The population of market centres increased 9.1% from 1971-76, which was three times the population increase during the 1966-71 period. Local centres actually decreased in population from 1966-71 but showed a significant 2.8% increase in population from 1971-76, a dramatic reversal of the trend for the 1951-66 period where declining population increases were incurred. The remainder of rural Manitoba showed a decrease in population of 1.5%, but this was far lower than the decrease of 8.1% for the period 1966-71. Overall, the population of rural Manitoba increased by 4,110 or 1.1% from 1971-76, compared with a population decrease of 5.0% from 1966-71!

It is obvious that the rate of rural decline has been greatly reduced. People are still moving from small towns and villages, but at one-fifth of the rate for the 1966-71 period. The populations of most incorporated towns and villages are increasing which means that rural migrants are moving to larger rural centres as well as to Winnipeg.

It is interesting to note that of the communities of various sizes receiving sewer and water facilities, 79% increased in population from 1971-76 while only 65% of the communities of similar size without sewer and water development in the same period increased in population.

Looking at rural Manitoba on a regional basis, it can be seen that though all regions declined in population from 1966-71, increases in population for the period 1971-76 were experienced by three out of the five regions. The Southeast Region showed the greatest population change from a decrease of 0.3% in 1966-71 to an increase of 7.4% in the 1971-76 period. The Parklands Region or Northwest Region, on the other hand, continued to decline in population during 1971-76 but recorded a 3.7% decrease versus a 9.7% decrease during 1966-71. (Table 4 and Figure 1).

It is interesting to note that most rural municipalities (RMs) around thriving centres increased in population from 1971-76. All RMs around Winnipeg, as well as those to the east and northeast of the city, increased in population, as did the RMs around Brandon, Dauphin, and Morden-Winkler. This could be due to their status as "commuter" communities close to major centres.

Comparing the age distribution of rural Manitoba versus Winnipeg residents, it can be seen that the "aging trend" existing in rural Manitoba became less pronounced during the 1971-76 period than in previous years. The relative proportion of the 0-14 year group remained the same as that of Winnipeg during the 1971-76 period, but the 15-44 year age group increased at a faster rate than previously to reach 42.2% in 1971-76. This rate also increased faster than did Winnipeg's rate although the 1971-76 Winnipeg figure was higher at 46.8%. This resulted in a lower proportion of people in the 45 and over age group in rural Manitoba in the 1971-76 period than existed between 1966 and 1971.

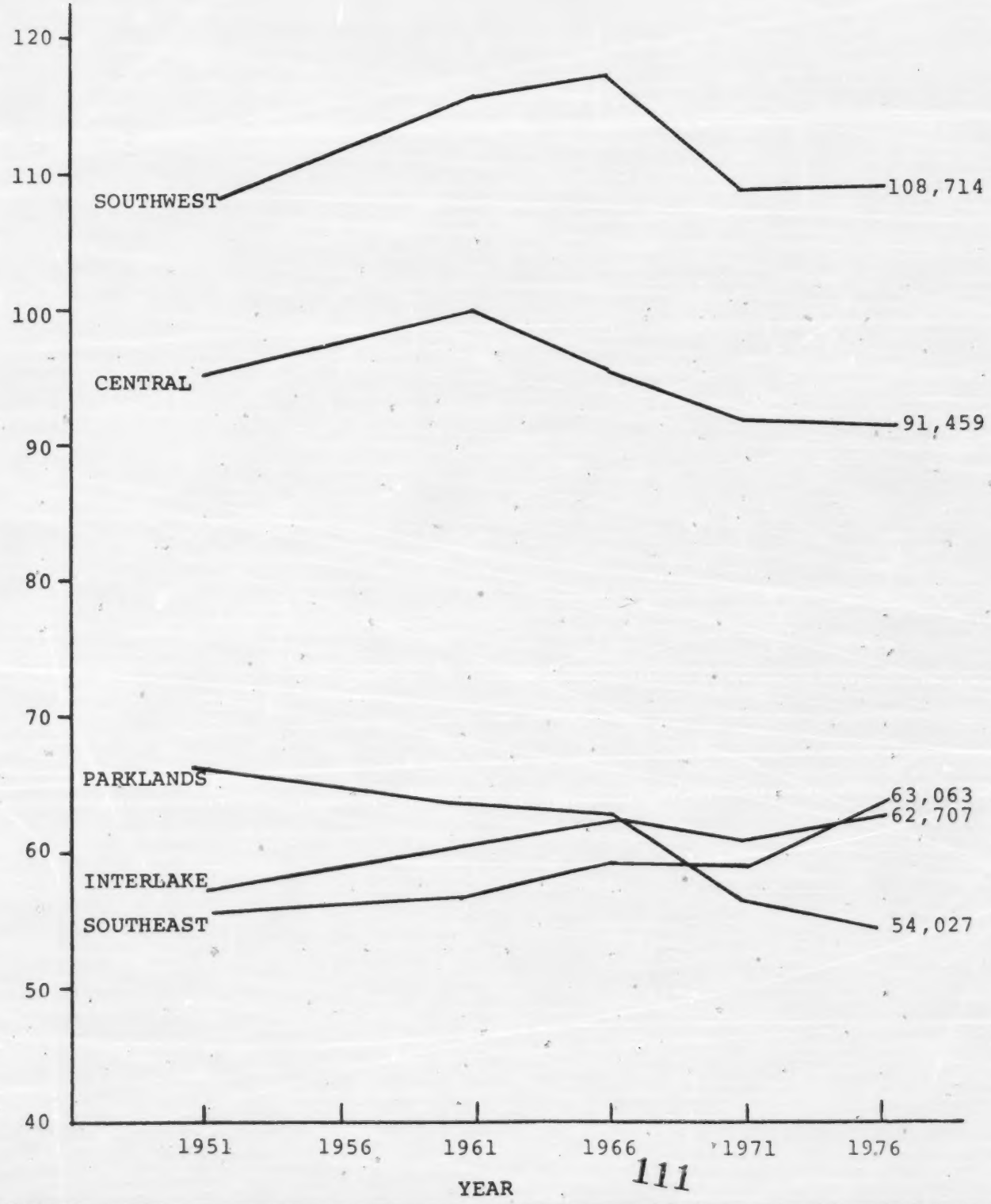
TABLE 4

POPULATION OF RURAL MANITOBA
BY CENSUS DIVISION AND REGION
1971 and 1976

Area \ Year	1971	1976	% Change
Census Division			
1	17,070	16,481	
2	30,308	34,028	
12	11,358	12,544	
Southeast Region (Total)	58,736	63,063	+7.4%
3	33,115	34,780	
4	12,823	12,064	
8	15,072	14,637	
9	24,104	23,143	
10	6,801	6,835	
Central Region (Total)	91,915	91,459	-0.5%
13	25,761	28,731	
14	11,181	12,488	
18	23,504	21,488	
Interlake Region (Total)	60,446	62,707	+3.7%
5	18,635	17,975	
6	11,536	11,163	
7	50,783	53,504	
15	27,704	26,072	
Southwest Region (Total)	108,658	108,714	+0.05%
16	12,657	11,755	
17	29,857	28,999	
20	13,591	13,273	
Northwest Region (Total)	56,105	54,027	-3.7%
Rural Manitoba (Total)	375,860	379,970	+1.1%

FIGURE 1

POPULATION OF RURAL MANITOBA REGIONS
1951-76



Sex ratios changed very little from the 1966-71 period to the 1971-76 period; there were still more males than females in rural Manitoba in 1976, compared with the reverse situation in Winnipeg.

Employment

The average unemployment rate for Manitoba declined from 5.7% in 1971 to a low of 3.7% in 1974. Government-assisted employment programs concentrated on periods of high unemployment, as well as on specific pockets of severe unemployment in the Southeast, Interlake and Parklands (Northwest) Regions. It is estimated that various manpower programs from 1972 to 1976 supplied more than 25,000 man months of both permanent and temporary work in rural Manitoba.

The minimum wage has been raised significantly since 1971 from $1.65 per hour to $2.95 per hour in 1976. This has had a significant effect on rural wages.

Incomes

Tax file data show that in 1971 the average total income in rural Manitoba was $4,046. By 1974 the average income had increased to $6,585. Taking inflation of 22.2% into account, this meant a real increase of $1,641 over the four years. Looking at average

TABLE 5

AVERAGE INCOME FOR RURAL MANITOBA REGIONS — 1967-74

REGION	AVERAGE INCOME[a]					% CHANGE IN AV. INCOME[a]				
	1967[b]	1971[b]	1972[c]	1973[c]	1974[c]	1971-72	1972-73	1973-74	1971-74	C.P.I. 1971-74
	$	$	$	$	$	%	%	%	%	
Southeast	3,533	4,476	5,210	5,643	6,624	16.4	8.3	17.4	48.0	
Interlake	3,367	4,108	4,904	5,488	6,446	19.4	11.9	17.5	56.9	
Central	3,312	3,817	4,525	5,709	7,005	18.5	26.2	22.7	83.5	
Southwest	3,655	4,124	4,697	5,693	6,840	13.9	21.2	20.1	65.9	22.2
Parklands	3,141	3,701	3,793	4,707	5,462	2.5	24.1	16.0	47.6	
Rural Manitoba	3,342	4,046	4,623	5,518	6,585	14.3	19.4	19.3	62.7	
Winnipeg		5,724	6,046	6,687	7,625	5.6	10.6	14.0	33.2	

(a) Income = Personal Net Business or Net Farm Income plus Personal Gross Income from Other Sources

Source: (b) Regional Analysis Program Income Tax Data
(c) Manitoba Department of Agriculture Income Tax Data

Taken from 'Greenbook' File: Revenue Canada

incomes for each region, the increases for the 1971 to 1974 period varied from a high of $3,188 or 83.5 percent in the Central Region to a low of $1,761 or 47.6% in the Parklands Region (Table 5).

Total farm cash income rose by less than 0.5% from 1966-71, but from 1971-75, the farm cash income rose by 147 percent. Average cash sales per farm almost tripled from 1971-75. Average net income per farm increased by 151% from 1971-75, compared with the 37% increase for the 1966-71 period.

Regional data show that cash sales per farm increased significantly in all regions during the period 1971-74. The Central Region showed the greatest increase of $14,991 or 125 percent over the four years, while the Interlake showed the smallest increase of $6,755 or 97 percent. During the previous five years, from 1966-71, these two regions had increases in farm cash sales of $2,758 or 30 percent and $1,905 or 38 percent respectively. The number of census farms decreased by 2,830 or 8 percent from 1971-76, compared with 4,766 or 12 percent for the previous five years. The 1971-76 decline in farm numbers was the smallest since the 1946-51 period, while the percentage decrease almost equals the previous lowest percentage decrease which occurred from 1951-56.

Due to higher prices for farm produce and government agricultural assistance programs during the period 1971-76, the decline in the number of farms has been significantly reduced. Furthermore,

gross farm cash receipts of almost $900 million in 1976 exceeded the target set for 1980 in the TED Report by 12.5 percent, while net farm income exceeded the 1980 target by 71 percent. Even more significant, while the TED report recommended a target of reducing the number of farms to 20,000 by 1980 with average gross sales of $10,000 per farm, in 1976 we still had about 31,000 farms in the province with average gross sales of $11,000 per farm.

VI EVALUATION STUDIES ON SPECIFIC PROGRAMS

The Fund for Rural Economic Development (FRED) Plan was initiated in 1967 in the Interlake Region, which had been identified as a depressed area in need of development assistance. Programs designed to promote economic development, to increase income and employment opportunities, and to raise the standard of living of the people were implemented in the areas of education, manpower, agriculture, fisheries, transportation, and recreation. An ongoing evaluation of all programs was carried out by the Department of Agricultural Economics at the University of Manitoba, and forty publications evaluating various sections of the FRED Plan have been produced. Researchers have estimated that the ten-year total FRED investment (approximately $20 million in agriculture and recreation projects alone) has resulted in a $10.6 million per year income flow to Interlake residents, an estimated $200 per person per year!

Two program evaluations which I would like to highlight here are the Farm Diversification Program and the Interlake Manpower Corps Program.

The Farm Diversification Program (FDP) is directed toward two major problems associated with low income farmers; first, low levels of management of farm resources, and second, large variances in farm income due to variable prices for farm production and high-risk farm enterprise combinations. Initial evaluation of the FDP suggests that the income impact on 3,000 client farmers totals a minimum of $1,026,870 per year. It is also estimated that, given adequate market demands, 3,000 farm client graduates of FDP would produce 45,000 animal units and increase Manitoba's annual livestock output by $15.75 million. The annual non-farm income and employment impacts of such an expansion in livestock production is estimated to be $3.75 million in non-farm income and 850 non-farm jobs.[1]

The Interlake Manpower Corps Program was designed to provide training and work orientation to low income, high-risk but employable people, particularly those of Indian ancestry. An expenditure of approximately $5.25 million had been made from 1967-76 with

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[1] D. Ford, M. Senkiw, J.A. MacMillan and C.F. Framingham, "An Evaluation of the Farm Diversification Program in the Interlake Region of Manitoba", Draft. (Winnipeg, Manitoba: University of Manitoba, 1977).

a total of 1,705 trainee registrations. It has been estimated that the unemployment rate of trainees dropped from 80 percent to 19 percent, and that the average weekly earned income rose from $82.00 to $219.30. After eight years benefits were three times the training cost, and after ten years benefits derived were five times the cost.[2]

VII CONCLUSION

Government of Manitoba efforts to achieve the "Stay Option" must be long-term and steadily ongoing. Many forces oppose the concept, sometimes unconsciously, if not directly. For example, Canadian Pacific Railways (CPR) has its subsidiary company, Marathon Realty, which is a massive business operation; when urban development by Marathon becomes more lucrative than providing rural rail service, CPR policy may very well oppose the "Stay Option".

The attitude during the last decade has been "big is beautiful". Current thinking must take the reverse approach if the "Stay Option" is to be fully realized. Without changing attitudes, there is nothing to stop the steadily increasing scale of business with little thought being given to optimum size of operation. This works against maintenance of a reasonably viable rural society.

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[2] Marco A. Fernandez, "Efficiency and Distribution Considerations in Manpower Training Programs: The Interlake Manpower Corps Case". (Winnipeg, Manitoba: University of Manitoba, 1976).

I believe the situation is crucial - i.e. the survival of rural society and a strong farming structure is at stake. The consequences of not making a real, strong, and honest attempt at maintaining and strengthening rural society would likely be of the following nature:

- control of farming will be lost to farmers;
- cost of food production will increase;
- there will be even greater control of food prices by the few;
- greater rural to urban migration resulting in vastly increased costs of urbanization;
- much public and private investment in rural communities will fall into disuse and be lost.

Adequate and stable farm incomes and prosperous rural communities are necessary to make the "Stay Option" a real option and stem forced rural to urban migration. The many policies and programs which the Manitoba government has launched over the past seven years to bring about the "Stay Option" have clearly demonstrated that planning must involve people to be effective. It's an old principle that planning of programs must involve those who will be affected by such programs. Response to the programs has proved that the need for these initiatives was urgent. Changing rural trends show that rural de-population is, hopefully, a thing of the past; as well, farm incomes are among the highest in Manitoba's history and many rural communities have provided their residents with much - needed facilities and services. Although it is difficult to prove without extensive and detailed research, I am strongly of the opinion that

the "Stay Option" program has had a significant and positive impact upon the rural demographic and economic situation in particular, and upon the people and enterprises in the Province of Manitoba in general.